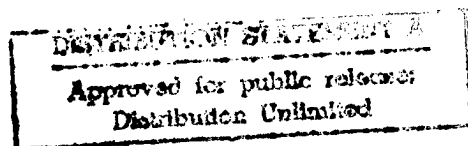


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Latin America Report



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30 October 1985

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INTER-AMERICAN AFFAIRS

GATT: LATIN AMERICAN SERVICE INDUSTRY EXPORTS

Montevideo CRONICAS ECONOMICAS in Spanish 15-22 Jul 85 p 10

[Article by Aida Fernandez]

[Text] The exportation of services is a subject which in general has not been given much thought in developing countries, especially in Uruguay, where it is gaining attention as a new subject about which not much is known. It is believed that it will serve as a tonic to international trade during the next few years and will be one of the principal and at the same time most controversial matters within the purview of GATT [General Agreement on Tariffs and Trade] circles.

It would be extremely beneficial for the Latin American countries to formulate joint policies and regional strategies on the exportation of services which might counteract somewhat the pressures which the industrialized countries will surely exercise as a bloc during the round of GATT negotiations to be held in the near future with regard to this new area of international trade. It is absolutely essential for the developing nations to adopt a united position so as to increase their negotiating power and in order to protect their interests with maximum possibilities of success.

The fact is that the traditional Uruguayan exports apparently cannot be the means of obtaining the necessary increase in the flow of foreign currency into the country. One of the things that we must study is the potential comparative advantages for Uruguay in international trade in services.

Since this is a new area, it is essential that personnel be trained both in the public and private spheres and that the government support the initial move toward export of service activities which involve a high degree of uncertainty for two basic reasons: the current lack of knowledge about it and the strong competition to be faced at the international level.

Research on the foreign market is essential at this stage because we do not have past experience upon which to base alternative projections in accordance with the fluctuation of certain variables. In addition, tradition is a hard factor to overcome and it carries great weight here. It is helpful to be able to show prospective customers convincing past performance which in this case does not exist. Also, enterprises located in developed countries have the means to publicize the services they render more easily.

In conceptual terms, there is an important difficulty since the word "services" does not have a precise definition. There is no consensus as to their primary characteristics nor on the criteria by which to classify them. Nor are the service-producing industries clearly defined. Quite dissimilar activities are included, for example, all the way from a laundry to a contract to design and built a steel mill ready to go into operation.

Until recent years, this did not make much difference since agriculture and industry were basic sectors of the economy of all nations. Now, in many industrialized nations, the service sector is more important than all the others put together due to their influence on overall production and employment and their greater capacity to increase production.

In general terms, we can say that this sector is made up of heterogeneous industries which are intensive in highly skilled labor, which habitually deal with the final consumer and which almost always produce an intangible product.

According to UNCTAD, within the international context, there is a trade of actual services and a trade in services which affect the balance of payments. In the first group are those transactions in services which involve their importation or exportation, that is, the providing of services by a resident in one country to a resident in another country. For example, the transportation of passengers and merchandise, the renting of motion pictures, communications, consultations, engineering and insurance.

The second group is more complex and includes:

- a) Providing direct service abroad or a service transaction related to investments: sales which are made by service industries of one country through its affiliates in another country.
- b) Providing services to non-residents, within the domestic economy: hotels and tourism, port and airport services, and so forth.
- c) Services of a contractual nature transacted internationally: contracts which guarantee remuneration or a share of profits of a firm of one country for the use, for example, of a trade mark in another country (licenses, royalties, marketing, contracts and so forth).
- d) International services related or not related to production factors. In "Balance of Payments" there is a distinction between "payment of factors" and "non-payment of factors." The former refers to payments on direct foreign investments or foreign financing. This is compensation for the service of the use of capital. This also includes money orders from immigrant workers employed in the service sector.
- e) Other services: payments for embassy and consular services, expenditures by members of international organizations in the country and so forth. The classification of balance of Payments of the International Monetary Fund contains two categories:

non-payment of factors

payment of factors

The first includes the items: transportation (cargo, insurance and other services connected with the international movement of merchandise); other transportation expenses (transportation of passengers not listed under travel and airport and port services); travel (goods and services obtained by non-residents during their stay in the country); other private services (income from work, licenses, royalties, insurance, communications, publicity, leasing operations, processing and repairs); other government services (expenses of embassies and consulates, military expenditures, public purchases).

The second includes only the income from direct foreign investment, investments in portfolio and payment of interest on foreign financing.

This classification is the one used most frequently and for which the data available are most suitable.

The developed countries, headed by the United States, intend to propose freedom of trade of services within the framework of GATT in a new round of negotiations, as we have already stated. There are objections to this since one cannot automatically transfer the principles of the theory of international trade with respect to tangible assets to the analyses of trade in services, nor are all the problems derived from international transactions in services strictly commercial. For this reason, according to some countries, discussions of services are outside the jurisdiction of GATT.

We should keep in mind that the developed countries with market economies are net exporters of services, especially as to items which make up "payment of factors" such as direct foreign investment and payment of interest on foreign financing. The most greatly expanding services in world trade are those included under "payment of factors."

For the developed countries, the most important components of foreign trade of services are the remittances of profits, banking services and insurance, designs, engineering and construction, royalties, licenses and other income from affiliated enterprises.

For the developing countries as a whole, the greatest income is from the item travel (especially in the case of Latin American countries), transportation, engineering and consultations (for some Asiatic countries) and, for the exporters of petroleum, remittance of profits and interest on their credit balances.

We believe it is in our best interest to familiarize ourselves with the subject of international trade of services because of the significance it is beginning to have for us due to its present importance in the world and because of the imminence of the multilateral round of GATT negotiations which will consider trade in services among its essential points. Our country has agreed to attend the GATT negotiations and therefore should go into the subject in depth and seek coordination with the rest of the nations in the Latin American area so as to achieve the most for the region's nations during these proposed negotiations.

INTER-AMERICAN AFFAIRS

ARGENTINA DENOUNCES PARAGUAYAN 'REPRESSION'

PY202312 Buenos Aires DYN in Spanish 1010 GMT 20 Sep 85

[Text] Buenos Aires, 20 Sep (DYN)--Radical, Justicialist Party [PJ], and Intransigent Party [PI] deputies have demanded that the Paraguayan Government "stop political persecution" against "known leaders" of that country who are "confined" in the central barracks of the Paraguayan Police.

The Argentine lawmakers' exhortation is contained in a document signed by Cesar Jaroslavsky, president of the Radical Bloc, and Deputies Marcelo Arabolaza (PI), Miguel Unamuno and Julio Barbaro (PJ), together with 30 ruling party lawmakers.

The document, which was distributed in the Chamber of Deputies by the Press Office of the Radical Bloc, explicitly mentions the situation of "confinement without explanation or legal basis" endured by the leaders of the Colorado Popular Movement of Paraguay.

Among the leaders, the document mentions, are Enrique Riera, Alejandro Stumpfs, and Miguel Angel Gonzalez Casabianca. It also demands that their "full rights and personal guarantees be restored."

In conclusion, the Argentine lawmakers assert that "these repressive acts" of the Paraguayan Government "create real uncertainty about the personal security" of the political leaders of the Republic of Paraguay.

CSO: 3348/30

INTER-AMERICAN AFFAIRS

TRINIDAD UPSET OVER REGIONAL TREATMENT OF BWIA

Complaints Against Barbados

Port-of-Spain SUNDAY EXPRESS in English 29 Sep 85 p 2

[Text]

AT ONE RECENT Caricom meeting in Bridgetown, Barbados, the Trinidad and Tobago Government officials were furious, while their Barbados counterparts were bland, if not simply disbelieving. Then, the Trinidad officials produced proof — they unveiled the cardboard casing of a refrigerator that had been imported into Trinidad, presumably Caricom-made, with instructions written in Italian.

Thus Port of Spain made a telling point about one of the still outstanding issues that continue to bedevil the Caribbean Community (Caricom) — false labelling of Caricom products. Another, of course, is State-owned BWIA.

From the very start of Caricom, Trinidad and Tobago has put one issue on the table: a regional air carrier.

Indeed, from the moment of its purchase from British Airways (then BOAC) in 1961, the late Prime Minister Dr Eric Williams immediately wrote all the Caribbean Prime Ministers offering them a shareholding, without immediate cost, in BWIA. Not only was the offer never taken up, but within recent months, a new prickliness has entered the relations between BWIA and several of our Eastern Caribbean neighbours, Barbados chief among them.

SO AS FAR as BWIA is concerned, the Eastern Caribbean isn't only being ungrateful (after all, Trinidad and Tobago poured more than \$1,000 million in loans and grants into the region between 1977 and 1985), it is also ignoring the role played by the airline in opening up the region to tourism. It is a role in which BWIA feels it has been and still is a pioneer.

You don't treat pioneers that way. "Your editorial last Sunday urging that we sign the Bahamas accord was 80 per cent correct and 20 per cent incorrect," one official said. "What

about the May 1983 accord with Barbados in which, under a new currency realignment, Barbados agreed to remove certain prohibitive duties on our soft drinks? That hasn't been implemented."

Added to which, he said, Trinidad and Tobago manufacturers have been trying to get a more equitable trading regime with Barbados since 1977, to no avail.

Nor was Barbados being viewed in Port of Spain last week as the only culprit.

In 1979, Antigua's Vere Bird signed a loan agreement with Errol Mahabir, now Minister of External Affairs, and

promised to designate BWIA Antigua's national air carrier. Since then, a flaming row has erupted over the latter part of the agreement, with Antigua going into its own deal via British Airways.

Island after island, it appears, is suddenly applying the squeeze on BWIA.

One reason, of course, is the current impasse between Trinidad and Tobago and her Caricom partners, Barbados most of all, over this government's hesitation in signing the Nassau accord. Barbados Prime Minister Bernard St John has threatened to impose trade sanctions on Trinidad and Tobago if this country doesn't sign the Nassau accord by month-end, tomorrow.

"BWIA is our Achilles heel. The perception in the Caribbean is that our one vulnerable point is BWIA. Everytime they want to apply pressure on the Government, they pick on BWIA," is how that's seen in Port of Spain.

"On the one hand, you have (St Kitts Prime Minister) Kennedy Simmonds, screaming BWIA may not give him the service he wants, on the other hand (St Vincent Prime Minister) James Mitchell is after us to provide a service."

The official feeling is that BWIA "has been the main contributor to the development of tourism in the region, on which we've lost millions of dollars. Now BWIA is being pilloried."

BWIA's "goal is to become a commercial operation, operating as a fifth freedom carrier (hooking up many points)." This year, the airline, a heavy loser of taxpayers dollars, expects to earn \$500 million in revenue but will show a cash operating loss of between \$16 and \$18 million.

There are plans to inaugurate a route to Boston this December, taking up an offer from the Barbados Government, and possibly to Frankfurt.

Behind the anger in Port of Spain last week lay the strong feeling that BWIA was again being used as a trade off in disagreements with Port of

Spain.

It was bluntly put this way: "Before it was the current trade issue, the issue was money. Before that it was a trade off on leaving illegal immigrants alone. The pressure is always on BWIA."

Reference was also made last week to restrictions which the British Government is seeking to impose on BWIA which wants to serve London via Bridgetown. In spite of this issue being taken up directly by Prime Minister George Chambers during his recent visit to London, talks with the British Government are virtually suspended.

But Barbados was the focal point last week.

There was, as well, the 1979 bilateral agreement with Bridgetown in which Barbados got a 50-50 joint venture in the Arawak Cement Plant, a loan, the creation of a Faculty of Law at the Cave Hill campus of the University of the West Indies (UWI), the use of the Trinidad financial market to raise money.

"Three years later, this all went through the window. But BWIA is not going to fold under pressure. We are going to fight, and we are going to fight hard," the spokesman said.

He also pointed to a recent article published in a Barbados newspaper in which it was stated that BWIA was earning \$80 million a year by flying into Barbados. "That is simply incredible", the official said, pointing out that income came from sales of tickets.

"We are transporting 30.6 per cent of the tourists going into Barbados. Now Barbados tourism is worth about \$600 million a year, so we are contributing anything like \$150-\$170 million to that. We also employ more Barbadians, in and out of Barbados, than any other airline in the world."

Behind these statements lie dark innuendoes which may or may not be translated into action. But it is an impasse that can only widen unless either side gives. For BWIA, though, it is just another round in a fight that never seems to come to an end.

'Unfair' Actions

Port-of-Spain TRINIDAD GUARDIAN in English 5 Oct 85 p 6

[Editorial]

[Text]

THE problems of Caricom have their counterparts in the world economy where a trade war seems to be brewing. Desperately, another meeting of the GATT is be-

ing summoned in an effort to forestall such a disastrous eventuality and, hopefully, to set a new trend in removing barriers and freeing up world trade.

Third World countries, of course, must welcome such a move as it is only through an expansion of world trade that they can hope to achieve the level of economic growth they need to raise the living standards of their people.

In Caricom, the objective of operating a true common market has been seriously set back by the impact of the world recession; the result has been a serious fall-off in intra-regional trade, with countries such as Guyana and Jamaica in deep balance-of-payments trouble and others taking a variety of measures to protect their domestic economies.

TOGETHERNESS

Trinidad and Tobago, suffering from a severe drop in revenue from the decline in the petroleum industry, has had to impose heavy restrictions on Caricom and outside trade in an effort to conserve foreign exchange earnings.

However, the loss of the Trinidad and Tobago market, the most viable in the region, has brought Caricom trade almost to a standstill and created widespread frustrations.

It is unfortunate that, in the vexations engendered by the trading impasse and other regional dissatisfactions, BWIA should be seen as a vulnerable part of Trinidad and Tobago's "armour" and, it seems, the airline's long-standing quest to be the regional carrier is now being used as a bargaining chip by a number of Caricom countries seeking trade-offs with Trinidad and Tobago.

The idea that BWIA which has been faithfully serving the region with air transport over the last four decades — long before any plan of forming a Caribbean Common Market was conceived — could now be dragged as a pawn into the current trade imbroglio is quite disturbing; indeed it says very little for the vaunted ideal of

regional togetherness on which the treaty is supposed to be founded.

Since 1967 when it was first proposed that BWIA should be designated the regional carrier, the airline has been earnestly seeking to fulfil that destiny; the fact that it is now no closer to that objective in spite of a general recognition and commitment may be taken as an index of the deep-seated prejudices, jealousies and antipathies that still exist in the region which was once united in a West Indies Federation.

Instead of being awarded the status it deserves among Caricom countries, the airline now faces a series of threats, rebuffs and even rivalries from Mickey Mouse operations hastily arranged by such countries as Grenada and Antigua.

The threat from Barbados to cancel BWIA's traditional Saturday flight to London seems to us particularly unfair, having regard to the major contribution which the airline has been making to the island's tourist-oriented economy.

The fact is that BWIA is the biggest transporter of tourists to Barbados, accounting for 30.6 percent of the island's \$600 million tourist trade. And while the airline injects some \$180 million directly into the Barbados economy, it takes nothing out.

SQUABBLING

Indeed, BWIA not only pays airport fees and taxes in Barbados, but the carrier also employs more Barbadians in and out of Barbados than any other airline in the world.

And it should also be noted that the cost of servicing Barbados is more than the airline derives from the revenue generated in that island.

The on-going issues of the trading relationships in the region is one thing, but we find it quite unfair now for countries not simply to continue to deny BWIA's claim to be the regional carrier but to use the airline as a lever in the tit-for-tat trade squabbling.

In the face of all this, BWIA must vigorously pursue its plans for expansion.

INTER-AMERICAN AFFAIRS

TRINIDAD-TOBAGO, BARBADOS CONTINUE THEIR DIALOGUE

Further Mahabir-Barrow Talks

FL072130 Bridgetown CANA in English 2016 GMT 7 Oct 85

[Excerpts] Bridgetown, 7 Oct (CANA)--The foreign ministers of Barbados and Trinidad and Tobago are to meet again shortly to continue talks on trading difficulties, Barbados Foreign Minister Senator Nigel Barrow said today. Barrow and Errol Mahabir met in New York at the end of September as both sides moved to diffuse a threatened trade war.

Officials are getting to work right away...and then Mr Mahabir and I will meet perhaps in Nassau, but pretty soon anyhow, Barrow told the Voice of Barbados radio station.

The restrictions Port-of-Spain has placed on Barbadian exports have been blamed for the loss of a few thousand jobs locally, and Barrow indicated that rising unemployment was uppermost in his mind.

What we want to do is to get out of this stranglehold which has got us with unemployment, not just at an unacceptably high level but a level of 19.3 percent.

I shutter to think that unemployment could have been that close to the 22.5 percent reached in 1975. But we need to get our people back to work. God knows we are doing whatever we can, but at the same time, we just simply have to get trading opportunities going if we are going to have the sustained development (and) employment opportunities that we need.

Barbados threatened reprisals if Trinidad and Tobago did not remove the restrictions by the end of last month.

Lower-Level Trade Talks

FL090116 Bridgetown CANA in English 2302 GMT 8 Oct 85

[Text] Port-of-Spain, 8 Oct (CANA)--Bilateral talks at the level of officials between Trinidad and Tobago and Barbados, aimed at thrashing out lingering

trade differences between the two countries, will be held here on Thursday, the External Affairs Ministry here said tonight. The talks will pick up from the last round which started in Barbados in March.

Trinidad and Tobago's high commissioner to Barbados, Reginald Dumas, will lead the country's delegation at the meeting. Barbados will be headed by permanent secretary in the Foreign Affairs Ministry, Oliver Jackman.

Strained relations between the two Caribbean community (Caricom) states, which were beginning to ease following an initiative by the late Barbados Prime Minister, Tom Adams, ran into trouble again when Trinidad and Tobago failed to implement the so-called Nassau Understanding--a 1984 package of measures for stimulating declining intra-Caricom trade--by the agreed deadline of 31 August.

Barbados Prime Minister Bernard St. John subsequently called for restrictions against Trinidadian goods if Port-of-Spain does not relax its import licensing regime, seen by Caricom exporters as a major contributing factor to the decline in regional trade.

CSO: 3298/031

INTER-AMERICAN AFFAIRS

CARIBBEAN LABOR LEADERSHIP ARCHER DISCUSSES PROBLEMS

FL030330 Bridgetown CANA in English 2209 GMT 2 Oct 85

[By George Worme]

[Text] St Georges, 2 Oct (CANA)--President of the Barbados-based Caribbean Congress of Labour (CCL) Leonard Archer says the external debt problem confronting regional states is the worst it has been in 20 years.

In an interview with CANA here, Archer said the regional trade union movement was particularly concerned about the massive unemployment in the English-speaking Caribbean, as well as other problems such as low living standards.

Archer said regional political leaders should not take it upon themselves to try and solve these problems alone, but invite the CCL to take part in discussions aimed at finding an answer to them, since a large number of workers in the Caribbean is represented by the labour movement.

He advocated the need for regional leaders to bring about a new approach to the problems, such as getting into active and constant consultation with the regional labour leaders about concerns affecting the working people.

The CCL is of the view that the labour movement must be part of any solution to these problems because if that isn't so, then what would be suggested as solutions would in fact not be solutions.

In many cases, the politicians have ignored the advice of the labour movement on how to deal with these problems, and consequently we feel that there needs to be a new approach on the part of the governments of the region in dealing with these problems, Archer said.

Archer said the CCL was pushing for more than observer status as granted by regional leaders at official meetings of the Caribbean Community (Caricom), but to be able to present papers at the annual heads of government conference on economic issues and other problems plaguing the region. I feel this is long overdue, and hopefully it won't be too long before we get that part of this particular arrangement sorted out, he remarked.

On the future of the CCL, which recently celebrated its 25th anniversary in its birthplace, Grenada, Archer said the movement was trying to draw up an agenda to cover its activities for the next 25 years.

This would include the need for the CCL to find a way to become more self-supporting. Most of the work carried on by the organisation, he said, is made possible through assistance received from our international brothers and sisters. One of the things I would certainly like to see in the next 25 years is that we arrive at a position where the CCL can take care of its (own) business, because until we can do that I don't think we can truly claim to be an independent trade union movement, he said.

The CCL boss felt the organisation also needs to develop the necessary expertise to allow it to speak out at a moment's notice on issues affecting workers in the Caribbean, as well as for its affiliates to depend on the movement to address issues affecting them.

Asked what he considered to be the most important achievements of the CCL over the past 25 years, Archer said the fact that the labour movement was able to stick together during that period is significant, given the failed political attempt to forge a federation among several English-speaking territories in the 1960's.

We have brought about some increases in the level of wages, and improvements in the working conditions of our members, and I believe it is true to say that the Caribbean people are better off today than they were 25 years ago, and labour has contributed significantly, I feel, to the betterment of living standards in the region, Archer said.

CSO: 3298/031

INTER-AMERICAN AFFAIRS

BRIEFS

ARGENTINE INVESTMENT IN CUBA--Argentina has announced it will invest \$120 million in Cuba's hotel industry after the Central Bank approved financing of a complex in the Caribbean Varadero Beach. Buenos Aires industrial sources indicated that the project will be built by the Argentina de Construcciones Company. It includes seven three star hotels and one four star hotel. [Text] [Havana Domestic Service in Spanish 1100 GMT 6 Sep 85]

OECS SUMMIT--Kingstown, 9 Oct (CANA)--St Vincent and the Grenadines will host the next summit meeting of heads of government of the Organisation of Eastern Caribbean States (OECS), 25-29 November, the government announced. The agenda for the conference will be released by the OECS secretariat in St Lucia early next month. The last OECS summit was held in Grenada on 13-14 June when that island's Prime Minister, Herbert Blaize, assumed the chairmanship of the seven-nation sub-regional economic grouping. Besides St Vincent and the Grenadines and Grenada, Dominica, Antigua and Barbuda, St Kitts and Nevis, St Lucia, and Montserrat are the other OECS member countries. [Text] [Bridgetown CANA in English 1543 GMT 9 Oct 85 FL]

CSO: 3298/032

ARGENTINA

REJECTION TO JUSTICIALIST FRONT UNITY VOICED

Socialists Deny Joining Front

PY241816 Buenos Aires TELAM in Spanish 1602 GMT 24 Aug 85

[Text] Buenos Aires, 24 Aug (TELAM)--Oscar Palmeiro, secretary general of the Argentine Socialist Confederation, has categorically denied, in a letter released to the media, that his party is part of the recently formed Justicialist Liberation Front [FREJULI].

Palmeiro said: I wish to make it clear that I have not signed any document or commitment. On the contrary, I went to the Justicialist Party headquarters, invited by Dr Vicente Leonidas Saadi, to tell him that our party will not support the front. Palmeiro then explained his reasons for refusing to join the front:

1. We Argentine socialists will not contribute to the division of Peronism, and we will not meddle in its internal affairs. I have attacked the political forces which are trying to (take advantage of) Justicialist division to win over part of its electorate. Aplmeiro continued:
2. I told Dr Saadi that our party belongs to the socialist front. On 3 November it will vote for the socialist unity tickets which aim at strengthening and consolidating a single and strong socialist party that will join in the building of a true national front for anti-imperialist, democratic and revolutionary liberation.

Palmeiro's letter is also signed by Manuel Outerino, member of the national leadership of the Argentine Socialist Confederation.

PCA Leader Rejects Alliance

PY241538 Buenos Aires Domestic Service in Spanish 1600 GMT 23 Aug 85

[Text] Argentine Communist Party [PCA] Leader Rubens Iscaro has predicted that communism will not join a Justicialist Front.

The PCA leader believes that no front will be formed because thus far the initiatives voiced by both sectors of the Buenos Aires justicialism do not show a broad front-seeking stance.

In addition, although it counts on the vote of millions of workers, Peronism is not the party of the working class, Iscaro stressed.

Peronism is a multiclass [policlasista] party in which they exploited and the exploiters alternate, something I consider a contradiction since a wolf cannot defend sheep, Iscaro concluded.

CSO: 3348/13

30 October 1985

ARGENTINA

BRIEFS

AGREEMENTS WITH POLAND APPROVED--Buenos Aires, 1 Oct (TELAM)--The executive branch has approved two cooperation agreements signed with Poland on 19 September 1983. The agreements provide for cooperation in the areas of veterinary science and agriculture. [Buenos Aires TELAM in Spanish 1725 GMT 1 Oct 85 PY]

AGREEMENT WITH CHILE ENFORCED--Buenos Aires, 1 Oct (TELAM)--The executive branch has promulgated the law that approves an agreement signed with Chile over taxation on income, profits, capital and assets. [Buenos Aires TELAM in Spanish 1232 GMT 1 Oct 85 PY]

WIND-POWERED TURBINE BUILT--Buenos Aires, 30 Sep (AFP)--The Navy Development and Research Department has built a 10-kw wind-powered turbine fitted with an alternator that can generate 220 and 380-volt currents. [Paris AFP in Spanish 2033 GMT 20 Sep 85 PY]

NEW JUSTICIALIST PUBLICATION--Buenos Aires, 10 Sep (NA)--The National Justicialist Council has a new newspaper called PUEBLE DE LA NACION. It replaces LA VOZ, which closed on 6 September. The new morning daily has a tabloid format of 32 pages and is published Monday through Friday. Its director is Jorge Cepernic. [Buenos Aires NOTICIAS ARGENTINAS in Spanish 1024 GMT 10 Sep 85 PY]

MISSILE CORVETTE COMMISSIONED--Bahia Blanca, 4 Sep (TELAM)--The Argentine Navy has commissioned the new ARA "Espora" missile corvette, which was built by the national shipyard. [Buenos Aires TELAM in Spanish 0603 GMT 5 Sep 85 PY]

SHIPYARD CHIEF TO USSR--Buenos Aires, 14 Sep (DYN)--Jorge Pietranera, president North Basin Shipyards today traveled to the Soviet Union to negotiate a contract for repairing the fishing fleet that operates in the South Atlantic. [Buenos Aires DYN in Spanish 1952 GMT 14 Sep 85 PY]

COST OF LIVING UP--Buenos Aires, 6 Sep (NA)--The National Statistics Institute has reported that the cost of living increased 3.1 percent in August which is a reduction from the July figure of 6.2 percent. [Buenos Aires NOTICIAS ARGENTINAS in Spanish 1030 GMT 6 Sep 85 PY]

RAILWAY ELECTRIFICATION AGREEMENT SIGNED--Buenos Aires, 5 Sep (TELAM)--The Argentine Railways Company has signed an agreement with a Soviet technical delegation that is visiting Argentina. The agreement provides for preliminary engineering studies for the electrification of the San Martin and the Retiro-Pilar-Mercedes railways, and for the improvement of the railways' signaling and communications system. The company's press office has reported that the studies will be completed in 2 years and that the national industry will actively participate in the project. [Buenos Aires TELAM in Spanish 1445 GMT 5 Sep 85 PY]

NEW POLITICAL PARTY--Buenos Aires, 19 Aug (DYN)--Electoral Court Judge Ricardo Lona has granted legal status to the new political party Three Flags [Tres Banderas], made up of long-time members of the Justicialist Party of Salta Province. Deputy Horacio Bravo Herrera is one of the leaders of the new party. [Buenos Aires DYN in Spanish 1840 GMT 19 Aug 85 PY]

SECRETARIES APPOINTED--Buenos Aires, 21 Aug (TELAM)--The government has appointed Carlos Hernan Canitrot as secretary of health and Nestor Farias Bouvier as secretary of industry. [Buenos Aires TELAM in Spanish 2110 GMT 21 Aug 85 PY]

RADIO NEUQUEN BROADCAST INTERRUPTED--Neuquen, 4 Oct (TELAM)--The regular broadcasting of radio station LU-5 Radio Neuquen operating from the southern region of this province was interrupted for approximately 4 minutes last night by an anonymous but perfectly audible voice. This unusual event occurred during the station's evening newscast when the chief reporter of the program was holding a telephone conversation with Hector Fernandez Valdivieso, a member of the Neuquen Popular Movement [Movimiento Popular Neuquino]. A voice saying that this party is neither democratic nor republican but a dictatorship interrupted the conversation. [Excerpt] [Buenos Aires TELAM in Spanish 1407 GMT 4 Oct 85]

CSO: 3348/29

BOLIVIA

DELEGATION TO NEGOTIATE FOREIGN DEBT

PY041454 La Paz Cadena Panamericana in Spanish 1130 GMT 4 Oct 85

[Text] Planning Minister Guillermo Bedregal has announced that next week an official delegation will leave to negotiate the foreign debt with the international private banks. The meeting with the private banks will be held after the IDB governors assembly to be held in Seoul, Korea.

Bedregal said that Bolivia will explain to the international banks the impossibility of fulfilling its commitment to immediately pay the capital and interest due. The Bolivian Government in May 1984 suspended payments on the foreign debt as a result of the serious economic crisis, which has forced the government to care for the population's food needs first.

Bolivia would have to use 100 percent of the value of its exports to pay the foreign debt, which this year totals \$872 million. Officials believe that exports will increase with the implementation of the new economic policies. However, the country is not in the position to fulfill its commitments with the consortium of private banks.

Minister Bedregal said that the Bolivian Government will propose a new long-range policy to pay the foreign debt. He added: Obviously, we recognize the debt, but we are forced to negotiate it in accordance with our possibilities without affecting our economic policy, in which we did not include the distorting factor of the payment of the foreign debt.

Bedregal also referred to the IDB governors assembly, saying that the government has appointed a mission made up of capable specialists in international financing. The mission will report on the efforts the Bolivian Government has made thus far to overcome the economic crisis. He said: We are not going to ask for approval of our plan, because it is the people's sovereign decision to deal with hyperinflation in accordance with their possibilities.

CSO: 3348/31

BOLIVIA

PRIVATE SECTOR GROUP ADDRESSES ECONOMIC POLICY

PY051310 La Paz Cadena Panamericana in Spanish 1700 GMT 3 Oct 85

[Text] The national Private Business Confederation has held a congress during which the national situation was thoroughly discussed. The congress has issued a statement that includes well-grounded considerations of the government's economic policy. This is a summary of the statement:

First. To reaffirm the private sector's unyielding faith in the economic and sociopolitical development of Bolivia within the framework of democracy, freedom and justice, with the protection of a legitimately elected government, in strict compliance with the law, and within an order in which all citizens are equally respectful of the law and equally accountable for their deeds.

Second: To continue to defend a system of civilized coexistence based on the traditional values of Bolivian society and on a dialogue promoting national unity.

Third: To condemn the action of extremist groups, which are promoting discrepancies and confrontations among the members of a community whose future must be built upon solidarity.

Fourth: To uphold the consolidation of a pluralistic and representative democracy within which the principle of free enterprise is an unquestionable right set forth by the Constitution.

Fifth: To point out that the weakness of the Bolivian economic structures have been caused mainly by the sociopolitical contradictions of our institutional life, and that this weakness has resulted in an unprecedented, total crisis.

The statement stresses the importance of the Bolivian private sector, despite the fact that its image has been permanently impaired by opposing doctrines which have sought to depict it as a sector without imagination, interested only in making profits and exploiting the people. These distorted arguments have been used to describe the private sector as a secondary or subsidized agent of national development.

Seventh [as heard]: To point out that after overcoming countless, serious problems, the private sector has generated 80 percent of the gross national product in rural areas and the cities over the last 2 decades, while the public sector has barely accounted for 20 percent of the GNP with the same level of investment.

Eighth: To stress that the unreasonable expansion of the private sector, which is in the red, is one of the main factors that has weakened the economy and caused the hyperinflationary process that we are trying to overcome.

Ninth: To point out that justified protectionism, in some cases, and irrational measures in others, have (?impaired) and distorted the constitutionally established role of the private sector, preventing this sector from contributing to the national development.

Finally, to stress that the private sector's creative capacity should not be restricted by a compulsory and inefficient economic leadership imposed by the state. This means that the private sector must be freed from the control that the state has imposed on it, denying businessmen the chance to fully assume their responsibilities, yet holding them accountable for their duties without guaranteeing their rights.

[PY051350] After analyzing the constitutional government's economic policy from the viewpoint of these broad principles, the private sector would like to point out the following:

The national government has made a significant decision. It has enacted a new policy that will shape our country's socioeconomic future. This decision was made at a crucial time in the history of our nation, which is now verging on such an economic collapse that there is no other alternative. It is not possible to hesitate now.

The new economic model seeks to neutralize the main factors fueling a crisis that is reflected by an unprecedented hyperinflation rate. To make matters worse, the economic crisis has turned into a sociopolitical crisis. Therefore, this is not a time for indifferent or passive attitudes, much less for the irrational intolerance of some ideologies that deliberately ignore the situation.

The new economic policy has been enacted by a constitutionally elected government. It reflects the government's willingness to confront the crisis and prevent what could be an irreversible outcome, in line with the people's wishes and with the imperative of this historic moment.

To reject the new policy without proposing concrete and feasible alternatives or to endorse it without suggesting the adjustments that will supplement it would be to relinquish the right to give a well-grounded opinion on the matter, at a time when common sense must prevail, because important decisions must be made to reactivate our economy.

The private sector is fully aware that it is facing a challenge that has put to the test its ability to contribute to the full and free development of all sectors of society.

Summing up, it is necessary to drastically change an obsolete and inefficient model that has artificially subsidized some sectors and has enacted protectionist measures in favor of others. Such measures have in the long run restricted the autonomy of several groups within the private sector.

The private sector accepts its own responsibilities. Yet it cannot fail to voice concern over some inconsistencies within the new economic model. For one thing, the model must be supplemented; for another, it must be made clear whether it will be implemented with firm and unyielding determination.

Concerning the first topic, the role of the state in the business sector has not been clearly established. The new model focuses on the current situation, but does not provide a clear definition of the concept of the state's presence in the business sector. The new model seeks to improve the operation of state-run companies, but it does not indicate whether it is valid or consistent to allow the state to continue operating in the business sector. Also, it does not specify the conditions governing the state's presence in the business sector, should it be deemed necessary to allow such a presence.

In the future, these omissions could result in very serious consequences that could distort the reactivation process, or they might even cause a quick return to the empirical and hybrid formulas we are trying to get rid of.

The private sector's statement adds: At this stage, each Bolivian should hold sort of a plebiscite inside his own conscience, so that everyone might adopt a firm patriotic decision to contribute to the great task of preserving a model of democratic coexistence, in conformity with the tradition of freedom that imbues the spirit and soul of the Bolivian nation.

CSO: 3348/31

BOLIVIA

BRIEFS

MONETARY REFORM PLANNED--Central Bank President Rene Gomez Garcia has said that the government is studying the possibility of implementing a monetary reform to avoid accounting problems. Gomez Garcia will travel to Seoul in the next few hours to attend a meeting of World Bank and IMF governors and discuss world economic and financial issues. Gomez Garcia also commented on the negative effects of hyperinflation. The government is preparing a monetary reform plan that will soon be submitted to the National Congress. The plan seeks to deal with the accounting problems caused by hyperinflation. [Begin Gomez Garcia recording] The government is also studying a monetary reform proposal, which will be submitted to the National Congress according to law. The reform will entail the adoption of a new currency, which will have a new name and will require the elimination of six zeroes. It is possible that the value of the new currency will match the value of the U.S. dollar. [end recording] [Excerpts] [La Paz Radio Illimani Network in Spanish 1700 GMT 4 Oct 85]

JAPANESE DONATION--The Japanese Government has donated \$2.9 million to Bolivia. The corresponding exchange notes were signed on 11 September. The donation will be used to promote Bolivian agriculture and to support economic reactivation programs. [La Paz PRESENCIA in Spanish 12 Sep 85 p 1 PY]

FONPLATA TO GRANT CREDIT--La Paz, 15 Aug (AFP)--Jorge Capobianco, the president of the Santa Cruz Development Corporation, reported here today that the River Plate Basin Financial Fund--FONPLATA--will grant a \$19.5 million credit to Bolivia for the construction of the Santa-Cruz Trinidad Highway. [Paris AFP in Spanish 1354 GMT 15 Aug 85 PY]

TRUCK SALE CONTRACT--Cordoba, 7 Aug (TELAM)--The company Grosso Inc and Enauto, a Bolivian state-owned company, have signed a contract whereby Grosso Inc. will sell 1,000 Argentine made trucks to ENAUTO. The trucks, to be shipped at a rate of 40 a month, will be delivered unassembled. [Buenos Aires TELAM in Spanish 1945 GMT 7 Aug 85 PY]

LECHIN REFUSES TO RETURN--According to this morning's press, Juan Lechin reportedly has refused to return from his banishment. Juan Lechin, who is the executive secretary of the Bolivian Labor Confederation [COB], yesterday refused to return to La Paz after the government and COB representatives reached an agreement for the release and return of all the union leaders who

were banished to various parts of eastern Bolivia. This information was provided at 2330 on 3 October by Interior Minister Fernando Barthelemy. [Text] [La Paz Cadena Panamericana in Spanish 1130 GMT 4 Oct 85]

MNR-VANGUARD JOINS RULING PARTY--Several deputies, a large number of leaders, and dozens of peasants who are members of the Vanguard Nationalist Revolutionary Movement headed by Carlos Serrate have left that political faction to join the Nationalist Revolutionary Movement [MNR] of Victor Paz Estenssoro. Headed by Deputy Donald Baldivieso, the former members of the Vanguard faction today went to the Green Hall of the Chamber of Deputies, where they were welcomed by top MNR leaders. [Excerpt] [La Paz Cadena Panamericana in Spanish 1700 GMT 3 Oct 85]

GOVERNMENT CRITICIZES ISRAELI ATTACK--La Paz (AFP)--In an official communique released by the Foreign Ministry, the Bolivian Government has disapproved of the Israeli act of force against Palestinian camps in Tunis. The communique states that every international dispute must be resolved through peaceful means and dialogue, in line with the principles included in the UN Charter, on which Bolivian foreign policy is based. [Text] [Paris AFP in Spanish 1357 GMT 5 Oct 85]

JAPANESE DONATION FOR AGRICULTURE--Japan has donated 700 million yen, approximately \$3 million, for Bolivian agriculture. The corresponding documents were signed by Japanese Ambassador to Bolivia Tadatsuna Yabu and Bolivian Foreign Minister Gaston Araoz. This is a nonrefundable cooperation that Japan once again grants Bolivia, thus clearly showing its cooperative spirit toward our country. [Text] [La Paz Cadena Panamericana in Spanish 1700 GMT 11 Sep 85 PY]

CSO: 3348/31

BRAZIL

WAR MATERIELS INDUSTRY

War Industry Becoming More Sophisticated

PY121414 Rio de Janeiro O GLOBO in Portuguese 8 Sep 85 p 38

[Excerpt] Brasilia -- The Brazilian war industry has always been noted for its simple and cheap combat and reconnaissance vehicles. However, this is beginning to change. The new tanks being developed by ENGESA [Specialized Engineers, Inc] and the Bernardini enterprise are among the best and are fitted with laser sights -- Produced by the DF Vasconcellos enterprise -- computers, and powerful guns.

The 35 ton tank Osorio, produced by ENGESA, before completing its development phases and with only two prototypes operating, already has the possibility of being purchased by four countries, including Algeria and Saudi Arabia. Preliminary orders, at a cost of \$1.5 million each, have been placed for 2,000 of these tanks. This tank has already been tested against French, British and German models and has proven to be more advanced. This tank has a hydro-pneumatic suspension system, and English motor and 105 and 120-mm guns capable of perforating steel plates of up to 300 and 500-mm thick.

The Tamoio, produced by the Bernardini enterprise is slightly lighter, it weighs 29 tons and all its equipment is Brazilian-made, including its 700 HP Scania engine. This tank is similar to Soviet tanks, with a more sophisticated and digital firing equipment system. Its 90 mm gun can perforate steel plates up to 500-mm thick. So far this tank has been tested by delegations of several Latin American countries, including Peru and Chile.

Rio de Janeiro War Industry Increases Production

PY121426 Rio de Janeiro O GLOBO in Portuguese 8 Sep 85 p 38

[Text] The Rio de Janeiro State enterprises produced 10 percent of the country's war materiel. However, this participation will increase even more so during the coming next 3 years when the Verolme shipyard starts producing the following arms: the Fh-70 howitzer (a type of cannon) and a self-propelled tank (a tank with a less resistant body) (especie de tanque com couraca menos resistente) mounted on tracks and weighing 50 tons. For the production of these arms Verolme is going to

invest \$20 million (140 billion cruzeiros).

In addition to the Verolme enterprise, the arms industry already established in Rio de Janeiro is formed by the Navy Arsenal, the Mac Laren shipyard, the Ferranti computers enterprise, the F.I. Tupan enterprise and the AOCA Brazilian Valves Enterprise (CBV).

The Navy Arsenal, which has been building vessels for the past 2 centuries, not long ago exported a patrol vessel to Paraguay. It is now building corvettes and next year will start to build submarines.

The Mac Laren shipyard in Niteroi has already exported a small patrol vessel to Chile. However, the enterprises commercial department is analyzing an export package of war materiels to Latin American and African countries.

With the Navy's support the Ferranti enterprise, in Bonsucesso produces computers to be used on war vessels and, undoubtedly, the increase of exports of the private shipyards and the navy Arsenal will benefit this private enterprise.

The Tupan enterprise, based in Novo Yguacu, had humble beginnings but this year will export a total of \$3 million (21 billion cruzeiros) worth of luminous grenades [grenadas luminosas] and tear gas bomb equipment. By 1986 it hopes to export up to \$10 million (70 billion cruzeiros).

The Tupan exports 60 percent of its production and manufactures ammunitions for 34 and 155-mm cannons used by Brazil's six frigates.

The CBV makes bombs, torpedoes, grenades and a 40-mm cannon. It should soon begin producing a 155-mm cannon -- that will compete with Verolme -- and a RBS-70 missile. This will be a supersonic missile that will travel at a speed 1.6 times the speed of sound.

CSO: 3342/1

BRAZIL

BRIEFS

SOUTH AFRICA CAR RACE BANNED--Brazilian Foreign Minister Olavo Setubal yesterday sent a telegram to Joaquim Mello, president of the Brazilian Automobile Confederation, prohibiting race car drivers Nelso Piquet and Ayrton Senna from participating in the South African Grand Prix Formula One race set to take place in October in Kyalami. The minister suggested that the race be held in some other country. [Text] [Sao Paulo O ESTADO DE SAO PAULO in Portuguese 11 Sep 85]

CONSUMER PRICE INDEX--Tomorrow's newspapers will report that the national consumer price index for August is 12.25 percent. The government has decided to readjust salaries based on this percentage instead of using that of October. It was also reported that inflation reached 14 percent in August. [Excerpt] [Sao Paulo Radio Bandeirantes Network in Portuguese 0230 GMT 5 Sep 85 PY]

CSO: 3342/1

CHILE

OBSERVERS VIEW PCCH'S EXCLUSION FROM ACCORD

PY020024 Santiago Radio Chilena in Spanish 1730 GMT 1 Oct 85

[Excerpts] Leaders of city residents have asked Sergio Molina, the coordinator of the national accord signatories, about the exclusion of some political sectors. Molina replied:

[Begin Molina recording] Concerning the exclusion of some sectors, the accord does not actually exclude anyone, that is, not all sectors have signed it, but the signatories have called upon everybody to join them. Consequently, no one has been excluded. This problem arose as the accord was taking shape, involving some specific political parties that did not attend the meetings with Cardinal Fresno. It has been assumed that such parties have been excluded. I myself had the chance to talk with their representatives, to whom I explained that no one was to be excluded. I also told them that the signatories of the document had to agree with its terms, and that whoever disagreed with them should not sign it. This is what happened with the Communist Party [PCCH], which issued two statements. One statement was issued by the Almeyda-led Socialist sector and stated that the accord does not faithfully reflect their position, that they believe it is important to reach an accord, but that they would not sign it. Thus, they excluded themselves from the accord, because they did not want to sign it.
[end recording]

Silva was asked when the accord will be enforced:

[Begin Silva redording] The government is the only organization that has the legal means to enforce the accord now. That is why the accord calls for the immediate enactment of some measures. The government should enforce them now. [end recording]

CSO: 3348/6

CHILE

VALDES SAYS COUNTRY WILL RETURN TO DEMOCRACY

PY051230 Madrid EFE in Spanish 2302 GMT 4 Oct 85

[Text] Madrid, 4 October (EFE)--Gabriel Valdes, President of the Chilean Christian Democratic party, today said Chile will return to democracy because that is the will of the majority of the people and because, fortunately, no Chilean citizen is eternal.

During a press conference, Valdes said the National accord for the Transition to Full Democracy, which was signed by the majority of the Chilean political forces, is the best thing that has happened in Chile in the past 12 years.

The president of the Chilean Christian Democratic Party added that this accord involves a great rapprochement among Chileans, stemming from a spirit of reconciliation and from the search for peaceful ways to end the dictatorship.

Those who do not believe in a peaceful way have not signed the accord. Those who practice violence are responsible for maintaining the dictatorship. We want neither a civil war nor an East-West conflict in Chile, Valdes added.

The National Accord for the Transition to Full Democracy was signed on 25 August in Santiago by 21 political leaders with the exception of the Chilean Communist Party.

According to Valdes, the signatories of the accord represent 85 percent of the Democratic Political Organizations.

The Chilean Christian Democratic leader emphasized the need to forget the mistakes we all made in the past. He said his party will face the democratic process without a vengeful spirit.

Valdes said justice must function because serious wrongdoings have taken place and those responsible must be punished. However, we will not accept institutional trials dwell on the past because we have much to do, he said.

Gabriel Valdes, who stated that the Spanish model enlightens us, said Chile's process democratization will differ from the one experienced by Argentina.

In Argentina, no president has completed his term since 1930, Valdes said. In Chile, we were accustomed to living under a democratic regime. Moreover, the Argentines have had several military men in power. We have only had one in 12 years, Valdes added.

Valdes denounced the state of siege, the harassment, and the human rights violations. He recalled that during these 12 years of dictatorship, 30 percent of the Chilean people have been living in complete poverty.

CSO: 3348/57

CHILE

INTERVIEW WITH MDP LEADER JOSE SANFUENTES

PY090254 Santiago Analisis in Spanish 1-7 Oct 85 pp 21, 22

[Interview with Acting President of the Popular Democratic Movement, MDP, Jose Sanfuentes by reporter Jose Carrasco--no place or date given]

[Excerpts] [passage omitted] [Carrasco] The MDP seems to draw a line in Chile between those who signed the National Accord for the Transition to Full Democracy and those who did not sign it. What can you say about this?

[Sanfuentes] We think the country is divided by Pinochet. That is, those who support him are on one side, and those who do not are on the other.

[Carrasco] What then is dividing the opposition?

[Sanfuentes] Among those who oppose Pinochet there are, of course, different parties with different interests and political plans for the country after Pinochet leaves power. We may or may not share our methods of struggle but we have our differences. However, we believe that the main difference lies in the fact that there are those who support Pinochet and those who want to expell him.

[Carrasco] Your movement has expressed its willingness to sit down with all members of the opposition. However, the MDP immediately established differences among those who have been more repressed than others...

[Sanfuentes] We have never sat down to negotiate making that kind of imposition. The only imposition we have made is that we demand that our opinion be respected. We demand that those who sit at the table listen to the points of consensus contributed by each group. We believe we are not the ones who have made the most extreme demands. We think others try to make impositions on us. For example, regarding the National Accord, they demand that we either accept it without changes or not accept it at all. However, we demand to sit down at the table with at least a minimum respect for equal conditions.

Our position is that it is urgent, vital, and necessary to negotiate new now because if we do so with our common position, we can push for Pinochet's ouster in the short term.

[Carrasco] But not all those who signed the National Accord favor ousting Pinochet in the short term. Some wish to negotiate with him, and even allow him to rule until 1989.

[Sanfuentes] I believe Chile is currently undergoing an unsustainable crisis. Nowadays, the traders, the workers with their Confasin [expansion unknown], students, women, slumdweller, that is, nearly everybody, expresses opinions in favor of creating conditions for a profound change. Our debt and misery are drowning the country.

I believe that the 4 September protest demonstrated that the people are willing to push forward until they oust the tyranny. We also believe that if the opposition really united to conduct a plan for struggle that would include civil disobedience, generalized rebellion and paralyzing the country for one, two, or five days, we would certainly manage to shorten the life of this dictatorship. We believe that Pinochet will not remain in power until 1989 because that would be a crime. If he stayed until that date, the country would be in convulsion, in turmoil and much blood would have been shed. We are aware that there are rightist sectors that believe the National Accord is an instrument with which to negotiate with Pinochet. They would even allow him to remain until 1989. However, we think the majority sees in the National Accord an instrument for creating the conditions to expell Pinochet as soon as possible. This is what the people really want.

[Carrasco] Well then, what are the points with which the MDP agrees and the ones with which it does not?

[Sanfuentes] First, we do not like the exclusive characteristic of the National Accord and its attempt to impose on us an agreement without prior discussion. Besides, we believe that before starting a transition to democracy, an essential requirement should be complied with first, which is ousting Pinochet. This would really make a transition to democracy possible. It is an essential thing. One other important aspect is to allow the people to decide in a sovereign manner their future rules by means of a constituent assembly.

However, we consider it positive if new forces join those of us who since the first moment fought for the return of democracy. I am referring mainly to rightist sectors. We believe that the National Accord is demonstrating that the majority of Chileans is demanding a deep change. We also agree with the measures proposed by the National Accord, which are deeply desired by the people, like lifting banishments and annulling Article 24, because it would be ingenuous to accept it. In all, we support the measures proposed in the National Accord and we are willing to promote a common plan of struggle to make them applicable in the short term. [passage omitted]

[Carrasco] You primarily tend to blame the repression. However, it is said that what is actually paralyzing the MDP is its internal political problems, mainly those with the Almeyda-led faction of the Socialist Party.

[Sanfuentes] Since the beginning and up to the current moment, the MDP has had political problems, if that could be said of a movement that includes

six political parties, each one with its own organization and policy. These political parties have joined forces to support two main things: a common political program for Chile that could be explained as a progressive democracy, and a basic line of strategies and tactics to expell Pinochet and attain democracy. Within this framework of basic agreements, each party maintains its own opinion. No one should believe that the MDP forms an opinion without discussing it first. Each party can hold its own opinion besides support a consensus.

In addition to the repression, there is an enormous anti-MDP and anti-communist campaign being conducted by the dictatorship. This campaign is preventing the media--which help form public opinion and allow the political leaders to express their ideas--from reporting MDP activities.

[Carrasco] You talk a great deal about ousting Pinochet. Which is the concrete MDP proposal to oust him?

[Sanfuentes] We propose a latervative to promote the immediate expulsion of Pinochet and the installation of a provisional democratic government truly representative of a consensus among the country's democratic forces. We envision a government that will return democracy to Chile by summoning a national constituent assembly that will reinstate all social, political, and civil freedoms. A government that will implement an emergency economic plan to solve the most serious problems of the workers and the people in general, as well as help large sectors of the national economy, the medium- and small-size transport enterprises, and commerce and industry by orienting the economy toward a national interest. We want a provisional government that will impose respect for human rights and that will, therefore, create the conditions to clarify, solve, and apply justice to all the violations that were committed during this period. We believe that this is a point of democratic consensus in which all sectors could and should be included.

We are also proposing a way of struggle. The fundamental factor is the struggle conducted by millions of Chileans from their factories, schools, slums, and streets, claiming their rights and the end of the dictatorship. In this sense, we agree with the opposition sectors that support and have a common plan for creating a state of permanent civil disobedience. We believe that the Armed Forces will be more convinced of changing their conduct in favor of democracy if they see, instead of just millions of signatures, that the whole country is not willing to be ruled by Pinochet any longer and that it is willing to regain its freedom as soon as possible.
[passage omitted]

CSO: 3348/37

CHILE

CLASHES, ARRESTS MARK BURIAL OF COMMUNIST LEADER

PY132130 Paris AFP in Spanish 2349 GMT 12 Oct 85

[Text] Santiago, 12 October (AFP)--At least five people were injured and 20 arrested today in Santiago during the burial of communist labor leader Hector Cuevas Salvador, when the police clashed with the approximately 2,500 people who made up the funeral procession following the coffin to the main cemetery. The violent incidents began as the procession left the labor union headquarters in downtown Santiago and hundreds of Carabineros tried to stop the people from walking to the cemetery.

The agents used tear gas bombs and truncheons to break up the crowd that reacted by hurling stones at the policemen and shouting: "murderers, murderers."

A few hours earlier the commander of the metropolitan emergency zone issued an edict prohibiting the workers from walking behind the construction workers, leader's coffin. The edict said that only vehicles would be allowed in the procession.

During the clashes, the funeral carriage was intercepted at La Alameda, Santiago's main avenue, and ordered to proceed at top speed to the cemetery where approximately 1,500 people were waiting to pay their last respects to Cuevas who died at the age of 48 from lung cancer, 45 days after returning from exile.

At the cemetery, when slogans against General Augusto Pinochet's regime and in favor of the communist party were getting louder, the police moved in once again and used tear gas interrupting the speeches of leaders of the Popular Democratic Movement. The participants in the funeral ceremony reacted by hurling stones and sticks at the agents as the air became unbreathable.

According to eyewitnesses, 20 people were arrested in the clashes and two agents and three journalists were injured.

President Pinochet's military regime expelled Hector Cuevas from the country in 1982 for leading opposition demonstrations. Thanks to the efforts of the Catholic Church he was allowed to return this August. The government had granted him permission to stay at his home in Santiago for only three months.

CSO: 3348/57

CHILE

CHRISTIAN DEMOCRATIC INTERNATIONAL GIVES SUPPORT

PY141642 Madrid EFE in Spanish 2349 GMT 12 Oct 85

[Text] Santiago, 12 October (EFE)--The Christian Democratic International today reiterated its full solidarity with Chilean Christian Democrats and with the Chilean people in general, who are struggling for democracy and respect for human rights in Chile.

This statement was made today at a press conference by Osvaldo Hurtado, a former Ecuadoran president and president of the Christian Democratic Organization of America (ODCA). He was summarizing the feelings of the foreign political leaders with Christian Democratic leanings who came to Santiago to attend the 50th anniversary celebration of the Chilean Christian Democratic Party.

Hurtado emphasized the leading role of the Christian Democratic Party in the last 50 years of Chilean history, pointing out its permanent commitment with the cause and interests of the Chilean people and especially with those who suffer some kind of exploitation.

Eduardo Fernandez, secretary general of the Venezuelan Social Christian Party, recalled that during the recent ODCA meeting an agreement was signed calling for strengthening the democratic development of Chile, a country that in the past was an example of respect for democratic institutions.

Fernandez said that the dilemma of dictatorship or chaos, or dictatorship or communism is false, and that the experience of his country has proven that. He said that in reality the disappearance of dictatorial regimes creates a new constructive order guaranteed by the political forces.

Oscar Alzaga, president of the Popular Democratic Party of Spain, said in reference to the Chilean situation and political prospects that the idea of using the communist scarecrow is very childish because it is in dictatorial regimes where communism gets its roots and roots more deeply.

This is why, said Alzaga, in the search for democracy, fear should be cast aside because it is a factor that delays the people's civic awareness.

There is no need to be afraid when there are adults, people with long traditions who are fully capable of leading their own destiny, said Oscar Alzaga, who called on Chileans to replace any sign of fear with hope.

CHILE

FRENCH DECLARATION LABELED INTERFERENCE

PY072252 Santiago Domestic Service in Spanish 1730 GMT 7 Oct 85

[Text] The Chilean Foreign Ministry has labeled the comments by the French Ministry of Foreign Affairs on the arrest of several union leaders as interference in Chilean domestic affairs.

This statement was made by Foreign Ministry Spokesman Pablo Valdes, who indicated that no actions will be taken either at the Chilean Embassy or consulate level in France.

[Begin Valdes recording] Regarding the statement by the French Foreign Ministry, we believe that this undoubtedly is interference in Chilean domestic affairs. We have several times said that we respect the principle of nonintervention. Besides, the French declaration does not consider that we have a judicial branch and that on a court's decision several people are or were under arrest. Therefore, we believe that the French statement is interference. This worries us because we strongly maintain the principle of noninterference, and we will never make statements related to situations in other countries such as the case, for example, of the events that occurred recently in the South Pacific in which a power flagrantly intervened in a peaceful situation, even causing the death of one of the demonstrators in a foreign territory. [end recording]

Valdes also indicated that an investigation is being conducted into the Bolivian charges that Chileans reportedly are exploiting mineral deposits in the Salar de Coipasa. Regarding the visit to Chile of Costa Rican Fernando (Folio Gimenez), who is the UN Human Rights representative, Valdes said that once he submits his request, the authorization for him to enter the country will be granted.

CSO: 3348/57

CHILE

LEIGH CLARIFIES STATEMENTS TO FRENCH DAILY

PY102306 Santiago Radio Chilena in Spanish 1700 GMT 10 Oct 85

[Text] [in progress]...In an interview published by the French newspaper LE MATIN, General Gustavo Leigh did not rule out an agreement with the communist in order to restore democracy in Chile unquote.

Radio Chilena spoke with General Gustavo Leigh who clarified but did not retract his statements.

[Begin Leigh recording] What the lady journalist asked me is that in the event an accord is reached between the opposition, including the communists, and the government, would I be willing, for example, to walk down the streets with Mr Corvalan and Mr Pinochet? I told her: Why not? If a national agreement is reached by the majority, then I will submit to it. Of course, this is not my ideal. My ideal is to prevent the communists from gaining access to power. However, if a consensus is reached, either through a constituent assembly or a national agreement, why...[Leigh changes thought] I have to submit to it and I have to accept it. And I accept it. [end recording]

Radio Chilena insisted that we ask Gustavo Leigh whether he had to deny anything in the cable that arrived in Chile reproducing his statements. Let us listen to his answer.

[Begin recording] [Leigh] No. In general, there is not nothing to deny. What happens is that in the cable, the lady journalist mixed up my answers so they can be misinterpreted. For example, she begins by saying that I did not rule out the possibility of an accord with the communists. However, she fails to mention a National Accord, a national consensus. I personally would not--and much less so if I were a political party--enter an accord with the communists. However, if a national accord, a national consensus, a national reconciliation is reached, then I must submit to it because I always submit to a majority. However, the cable, of course, starts by stating that I did not rule out the possibility of an accord with the communists. Thus, it is liable to be misinterpreted by any reader, isn't it?

[Reporter Mario Gomez Lopez] Right, but the problem is that this news has been received by [the magazine] CAUCE and the truth is that the news agencies

only received the so-called "lead," the heading of the report published by LE MATIN. The full report is available, though. Now then, a question, Gustavo.

[Leigh] Go ahead.

[Gomez] Yesterday, the president made a speech in Rancagua. The speech has elicited a number of reactions. What do you have to say after reading his statements?

[Leigh] The ones he made in Rancagua or those I heard last night.

[Gomez] No. I beg your pardon. The ones he made at the Union Club.

[Leigh] Right. Well, that is painful. For me it is very painful, very sad, that we approach the end of 1985 with the government refusing to make any innovations in the timetable toward democracy. The doors, the valves, are still virtually closed. The social pressure will continue to grow. I hope this does not end in disaster. [End recording]

Well, Mario Gomez Lopez confused Rancagua with the Union Club. However, interviews are like that. We, journalists, often make mistakes and it is good to let you know what is the relationship, in this case, with such an important public personality. Gomez Lopez insisted on asking questions.

[Begin recording] [Gomez] Do you believe the demonstrations by the youth and all these things that are happening contribute to the National Accord for the Transisiton to Full Democracy and are part of the mobilizations as long as there are no outrages?

[Leigh] I believe so. As long as there is no violence, I believe so. I believe that the mobilization is a consequence of the refusal to hold talks, discussions. [End recording]

Finally, it was not possible to refrain from asking Gen Eigh another appropriate question.

[Begin recording] [Gomez] In Punta Arenas, Luis Danus embraced the [Punta Arenas] bishop and union leaders on prayer day. They paraded together wielding a cross and the Chilean flag. This happened on 19 September. This was a different response from the one observed at the Te Deum. Do you think such an attitude on the part of an Army general is important?

[Leigh] I believe it is very important, without blowing it out of proportion and giving it a sensationalist character. However, I think the attitude adopted by that general in southern Chile is consistent with the thinking of millions of Chileans who wish peace and reconciliation. This is an example for many of us. I believe that gesture is worth mentioning but without being sensationalistic about it for any reason. [End recording]

These were the statements General Gustavo Leigh Guzman, retired, a former member of the government junta, made to Radio Chilena.

CSO: 3348/57

CHILE

BRIEFS

TEACHERS SEEK LEADERS' RELEASE--Four teachers this morning entered the Norwegian Embassy to ask the Norwegian ambassador to Chile and international organizations to help gain the release of four AGECH [Chilean Teachers Association] national leaders, who are being held in the penitentiary. In a communique, the teachers state: The situation being endured by the leaders, especially AGECH national leaders Jorge (pades), Samuel Bello and Luis Campos, is unbearable for us as Chilean teachers. The teachers add: Thus far, all efforts to have the charges against the leaders dropped have been useless. Finally, they say that they have asked the [Norwegian] ambassador to negotiate for the following: To have the EEC intervene; to have the European Parliament take a stand and intervene; to have the Norwegian Government take a stand and intervene; to report the events to the Norwegian teachers association to have the imprisoned leaders unconditionally released; and to have the Education Ministry issue a public statement concerning the activities being carried out by AGECH and by AGECH leaders. The communique states that the teachers entered the Norwegian Embassy at 1030 and that they will remain there for an indefinite period of time. [Text] [Santiago Radio Chilena in Spanish 1700 GMT 10 Oct 85 PY]

MAPU-OC LEADERS ENTER ECLA OFFICE--Unofficial ECLA sources confirmed this morning that three leaders of the MAPU-OC [United Popular Action Movement-Workers and Peasants Faction] entered the ECLA office around 1500 on 9 October. Radio Chilena has been informed that the three leaders, including MAPU-OC National Secretary General (Rosamel Villaman), want the Interior Ministry to give details of the order issued in January 1985 banishing (Villaman). They also said their headquarters in Temuco has been attacked by the Chilean Anti-Communist Group, ACHA. It has also been reported that the three peasant leaders will remain in the ECLA office until their demands are met. [passage omitted] [Excerpt] [Santiago Radio Chilena in Spanish 1700 GMT 10 Oct 85 PY]

INFLATION RATE--National Statistics Institute (INE) Price [Department] Director Luis Gatica on 14 September stated that the cumulative inflation rate over the past 12 months is now at 36.5 percent. [Excerpt] [Santiago LA TERCERA DE LA HORA in Spanish 15 Sep 85 p 19 PY]

GDP, TRADE BALANCE SURPLUS--According to figures supplied by the Economy Under Secretariat, Chilean exports reached \$2,495,600,000 on 30 August 1985. Imports totaled \$1,997,800,000. The trade balance shows a \$497.8 million surplus by August 1985. Concerning the GDP, the Economy Under Secretariat

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has confirmed that over the first half of 1985 it has grown by 1.7 percent.
[Excerpts] [Santiago LA TERCERA DE LA HORA in Spanish 14 Sep 85 p 14 PY]

JUDGE CANOVAS' JURISDICTION ESTABLISHED--Judge Jose Canovas Robles will resume hearings next Monday. This announcement was made by Judge Canovas himself during a meeting he had with journalists in his office at the Santiago Appellate Court. He said that the court has dictated a resolution to the effect that he should continue to hear the case of the triple kidnapping and murder, and this is the law for him. So, he said, I cannot give a personal opinion on this resolution. [passage omitted] [Text] [Santiago Domestic Service in Spanish 2300 GMT 4 Oct 85 PY]

CARABINEROS BREAK WORKERS MARCH--An unspecified number of people were arrested this afternoon in Calama when Carabineros broke up a march of copper workers from the Chuquicamata Mine that was trying to reach the headquarters of their union in Calama. The march had been staged to protest the arrest of leader Rodolfo Seguel and others and to press for certain workers demands. Workers leader Luis Tapia reported the incident to this radio station and said that the column was made up of some 5,000 mineworkers when it reached Calama. [Begin Tapia recording] Workers from different shifts, housewives and youngsters made up the 5,000 strong column that reached Calama. From the townships that surround Villa Iquina more workers and housewives joined the march raising the total number of demonstrators to approximately 8,000. The workers tried to march toward the square but Carabineros stopped them by using tear gas bombs and truncheons. An unknown number of workers were arrested. [end recording] Tapia added that the march led by Copper Workers Confederation Acting President Carlos Ogalde, the President of the Federation of Catholic University Students (Thomas Jocelyn Holt) and the Vice President of the Student Federation of Chile Gonzalo Rovira, left the Chuquicamata mine at approximately 1400 and arrived in Calama at 1730 when the incidents began as Carabineros used tear gas in an attempt to break up the peaceful demonstration. [Text] [Santiago Radio Chilena in Spanish 2300 GMT 9 Oct 85 PY]

NEW GOLD MINE--A new gold mine is operating in Coihaique Province with ore grades of 65 grams of gold [per ton] and 300 grams of silver [per ton]. It is believed that the new mine, "Santa Teresa," may be as rich as "El Indio" Mine in the 4th region. [Excerpt] [Santiago Domestic Service in Spanish 1730 GMT 8 Oct 85 PY]

PRC AMBASSADOR APPROVED--The Chilean Government has approved the appointment of (Wang Shitang) as the new PRC ambassador to Chile. He held the position of first secretary of the PRC Embassy in Mexico in the past. [Summary] [Santiago Domestic Service in Spanish 1730 GMT 9 Oct 85 PY]

ANTIGOVERNMENT ACTIONS IN CHILE REPORTED--Two important leaders of the Chilean business sector have endorsed the national agreement signed by moderate and right-wing political organizations and rejected by the military regime headed by General Augusto Pinochet. (Elias Brogere) and Adolfo Quintero, top leaders of the confederations of retail businesses and truck owners respectively, proposed a general strike as instruments to combat the government, stressing that the time has come to demand a rational and peaceful solution. (Brogere), a former wine merchant, leads approximately 250,000 merchants affiliated with 13 organizations that group owners of supermarkets, restaurants, and stores. Meanwhile, the Chilean police arrested Jose Ruiz Digiorgio, leader of an opposition trade union following orders of a civilian court after the regime charged him and 87 other people with instigating the protest demonstrations recently staged in Chile. News dispatches from Santiago report that Rodolfo Seguel and Manuel Bustos, top leaders of the National Workers command have gone underground after a court issued arrest warrants against them. [Text]
[Havana International Service in Spanish 1600 GMT 26 Sep 85]

CSO: 3348/6

CUBA

'ABNORMALLY HIGH' USE OF ELECTRICITY IN JUNE

Havana GRANMA in Spanish 28 Jun 85 p1

[Text] Havana (AIN)--An abnormally high use of electricity in the first 20 days of June 1985, compared to a year ago has compelled the Union of Electric Power Enterprises (UEG) to produce 47 million more kilowatt-hours of electricity than scheduled.

As a result, 13,000 additional tons of petroleum fuel were consumed than had been scheduled, a situation that runs counter to the national energy-saving policy. As of May, the UEG had used more than 30,000 tons of fuel.

Among the areas with the greatest overconsumption are the City of Havana and Santiago de Cuba, followed by Camaguey, Pinar del Rio, Sancti Spiritus and Guantanamo. The rest of the provinces could stand to improve their energy-saving records too.

According to the experts, it is significant that June is historically one of the months of least power demand because the sugar harvest is over and there are more daylight hours in the summertime. It therefore behooves government and residential consumers to make greater efforts in this regard.

It is worthwhile to point out for the sake of comparison, that during the first 3 months of this year, power production by the thermoelectric plants and other units in the country declined by 1.9 percent compared to the same period in 1984, attesting to the effectiveness of energy-saving measures.

On the basis of the foregoing and in order to comply with the Party's energy-saving policy and cooperate in the proper implementation of plans, government and private energy consumers ought not to disregard power demand and energy conservation measures.

A special call should be made to those industries with large packing houses, to hospitals and other air-conditioned buildings, as well as to every member of the community who uses electric power in one way or another for cooling purposes, because the coming months are going to be hot.

12674
CSO: 3248/495

CUBA

STUDY GUIDELINES FOR CASTRO'S FOREIGN DEBT SPEECH

Havana VERDE OLIVO in Spanish 29 Aug 85 pp 14-16

[Text] Issue: Speech given by Commander in Chief Fidel Castro Ruz at the closing session of the Meeting on the Foreign Debt of Latin America and the Caribbean.

Objectives: After studying the issue, participants should be able to:

1. Discuss the background that led to the current proposals made by our commander in chief with respect to the need to abolish the foreign debt.
2. Criticize the insinuations and malicious attacks on Cuba's activities in connection with the foreign debt.
3. Explain the economic, political, moral and legal reasons why it is impossible to pay the foreign debt.
4. Explain how to solve the problem of the foreign debt and the role the industrialized countries are playing in that problem.
5. Analyze the importance of unity in the struggle to attain true independence among Latin American countries.

Development

I. Introduction

II. Development. Study Issues.

1. Principal causes and factors making it impossible to pay the foreign debt.
2. Unity: indispensable condition for achieving success in the national liberation struggle.

III. Conclusions

Introduction

Point out that the Meeting on the Foreign Debt turned out to be the most wide-ranging, democratic and pluralistic gathering ever held in our hemisphere. Some 1200 people, including representatives of governments, political parties, unions, the Church, the press, and various prominent individuals, gathered together to study the problem of the foreign debt.

1. Principal Causes and Factors Making It Impossible to Pay the Foreign Debt

Emphasize that the impossibility of paying the foreign debt is not a new issue, but rather one that dates back to proposals made by our commander in chief in various forums. Figure 1 should be used to present this idea. During the explanation, the following aspects should be stressed:

1971 (Chile): The foreign debt of the underdeveloped countries (some \$100 billion) was a concern, a worry and a question that had no answer. People were already beginning to wonder how some countries would be able to meet the foreign debt, maintain a minimum level of subsistence, and develop.

1979 (UN): The foreign debt had tripled (\$335 billion). The situation was becoming unbearable; the lesser developed countries, which were at a disadvantage, were being required to pay off their debts, and it was necessary to relieve the other developing nations of their debt burdens.

1983 (New Delhi, India): The foreign debt totaled \$600 billion by the end of 1982. The crisis had become so severe that the unequal terms of trade were being thrown even further out of balance. The presenter may use Figure 2 to demonstrate these points.

It is important to note during the analysis the tremendous increase in the foreign debt, which in 1985 has soared to the astronomical figure of nearly \$1 trillion.

The magnitude of this trend has concerned our commander in chief for 14 years, and the enemies of the Revolution have used this as an excuse for making a number of insinuations. These insinuations should be criticized, primarily in terms of their inconsistency. Brief reference should be made to the content of such accusations.

In refuting the arguments set forth by our enemies, the presenter should emphasize the following: the serious nature of the problem and the effort Cuba has made in this regard; the significance of the fact that everyone, including non-communists, is discussing the problem, which is of tremendous concern to the imperialists; and Cuba's realistic position in view of the fact that the debt is clearly unpayable.

The answers to the questions below and others that the presenter may utilize, if necessary, will reveal the reason why no country in the Third World is in an economic position to pay the foreign debt:

--Will it be possible for Latin America to pay an average of \$1,025 per capita over the next 10 years, just on the interest of the debt, when there is hunger, malnutrition, unemployment and underemployment in the region?

--Will it be feasible to solve this problem, given the limited market for our goods, the unequal terms of trade, protectionism, and extreme tariff barriers?

--How can exports be stepped up if certain inputs, equipment and parts cannot be obtained to increase production?

--How can we compete on the world market, with the robots and automated production of the more developed capitalist countries?

The presenter should provide examples to illustrate these economic problems.

Stress that there is no technical formula for resolving the problem, not even the one proposed by the Peruvian Government. In any variation that anyone suggests, the debt would grow. For this reason, the only solution at present is to strike at the root of this cancer. "Anything that deviates from this idea," stated our commander in chief, "is simply deviating from reality; any technical formula aimed at dealing with this situation, any palliative that does not improve the situation, worsens it."

Emphasize that the solution to the foreign debt problem lies in the use of a portion of military spending. The presenter should explain how our commander in chief approaches this idea, and should point out the benefits this solution would yield to humanity, especially the countries of the Third World. Examples may be cited.

Point out that the imperialists are the only ones to blame for the runaway arms race. The imperialists, who are bereft of ideas, need to maintain their attempted hegemony by force.

2. Unity: Indispensable Condition for Achieving Success in the National Liberation Struggle

Explain that a tremendous effort is needed to achieve unity among all countries and social strata in this common struggle.

Discuss why it is important to raise the consciousness of the countries of Latin America and the Caribbean, those of the Third World and even industrialized nations, in order to give us the necessary strength. Stress that the public opinion of the industrialized countries must be influenced.

Explain that this struggle includes all Third World countries, but only Latin America is in a position to lead it. Argue these ideas.

This discussion should lead to another important conclusion: Latin America, aside from the abolition of the debt and the New International Economic Order, needs integration as a factor in the economic unity of the region. Integration would prevent the return of dependency. Figure 3 can be used for the purpose of illustrating these ideas.

The need for unity within and among underdeveloped countries should emerge from this discussion. At the same time, the solidarity of certain industrialized countries, which would undoubtedly support such a struggle, should be enlisted.

Next the presenter should emphasize the following ideas, which were expressed by Fidel:

--To attain our objectives, political dialogue and negotiations are preferable; the subject of discussion must not, however, be whether or not to pay the debt, but rather the New International Economic Order.

--Unity in this struggle is needed not only for economic reasons, but also for political, moral and legal reasons, which should be studied carefully so that we can see that the debt not only cannot be paid, but should not be paid. Explain each of the following:

Political reasons: The governments of Latin America are not in a position to implement the measures advocated by the International Monetary Fund (IMF), even at gunpoint. The standard of living in the countries that are opening up to democracy has been cut in half. The trade surplus of the three main exporting countries of the Third World (Brazil, Mexico and Argentina) is shrinking fast, while interest rates climb further.

Moral reasons: Much of these loan funds were invested in weapons, or were squandered, misappropriated or misused; a considerable amount was spirited out of the country. The imperialists are solely responsible for the 1 million children in Latin America who die before reaching their first birthdays, of malnutrition, hunger, unemployment and underemployment. Collecting on this debt would be the most flagrant violation of human rights imaginable, because that amount has already been paid several times over with what they have stolen from us.

Legal reasons: Most of these loans were contracted by military dictatorships without any popular consultation; the legislatures have not even discussed these commitments.

Emphasize that to solve these problems, we have a common denominator: the unity of all in a very broad struggle. Explain that this means not waiting until the people have a socialist awareness or until all the subjective factors are present, but rather joining together all the social strata in the struggle to attain true independence.

Point out the need for nations to become aware enough to solve their internal affairs on the basis of the general principle of unity in this great struggle for national liberation.

List the defense criteria set forth by our Commander in Chief Fidel Castro Ruz: "Taking up arms is not up to one group, (. . .) it is up to all the people . . ." In addition, the presenter should mention the honorable role of the combatant, " . . . as long as the cause of the soldier and the cause of the people are one and the same."

Conclusions

--The economic analysis of the current situation of underdeveloped countries reveals that there is no possibility, no technical formula for paying the incredibly high foreign debt.

--It is imperative that the nations in question become aware and join together in this broad struggle, so that the countries of the Third World can achieve true independence.

Questions:

1. Discuss the background that led to the current proposals made by our commander in chief with respect to the need to abolish the foreign debt.
2. Criticize the bourgeoisie's false insinuations about Cuba's activities in connection with the foreign debt.
3. Explain the economic reason why no country in the Third World is able to pay the debt.
4. What should the industrialized countries do to abolish the debt and establish the New International Economic Order?
5. Discuss why the unity of nations is necessary in this common struggle.
6. Briefly explain the political, moral and legal reasons why the debt should not be paid.
7. Why do we say that the struggle of Latin American countries is broad and aims at true independence?

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CSO: 3248/6

CUBA

PAPER, SUGAR ENTERPRISES FINED FOR POLLUTING OYSTER ZONE

Havana GRANMA in Spanish 21 Jun 85 p 3

[Article by Fernando Davalos]

[Text] The Territorial State Arbitration Organization of Sancti Spiritus has ruled against the Cuba Pulp Paper Mill and the FNTA Sugar Agro-Industrial Complex of this province for polluting the Agabama-Manati River and causing the subsequent complete destruction of the Casila oyster zone.

The ruling by the state arbitration organization states that Cuba Pulp and the FNTA Sugar Mill will each pay 134,313 pesos in damages to the Industrial Fishing Combine of this southern port which suffered the greatest harm by the pollutants dumped into the river by both enterprises.

The serious situation that has confronted this Sancti Spiritus southern coastal zone for years, was disclosed in late 1984 by GRANMA in a series of articles entitled "Zero Oysters".

The arbitration ruling also exonerated the Ramon Ponciano Sugar Agro-Industrial Complex of Sancti Spiritus, exempting it from payment of damages, but it ordered the enterprise to make arrangements for the construction of an oxidation lagoon that will assure the adequate treatment of its effluents.

It also directs the FNTA Sugar Mill to use its oxidation lagoon in order to keep its effluents from entering the river directly and instructs the Cuba Pulp Paper Mill to assure that a canal is constructed for its effluents, a project that has been scheduled for 1985.

The state arbitration organization based its ruling on the evidence contained in reports by the Academy of Sciences of Cuba and the Ministry of Basic Industry, as well on the provisions of Law No 33 on the protection of the environment and the rational use of natural resources.

The arbitration process came about in the wake of a request by the Casilda Industrial Fishing Combine which had cited the foregoing enterprises for dumping their effluents into the Agabama-Manati River, thereby causing the destruction of the natural and cultivated oyster beds located at the river mouth and adjacent areas, and harming the economy of the fishing enterprise during 1981 and 1982, a situation that became critical in 1983.

12674

CSO: 3248/495

ECUADOR

BRIEFS

NEW CEPE MANAGER--The Board of Directors of the Ecuadoran State Petroleum Corporation [CEPE] appointed Carlos Romo Leroux as the organization's new manager after accepting the resignation of General Solon Espinosa. [Excerpt] [Quito Voz de los Andes in Spanish 1230 GMT 24 Aug 85 PA]

OIL PRODUCTION--Hydrocarbons Director General Giovanni Rossania has reported that the Shushufindi field has yielded 110,000 barrels of oil daily between January and July 1985. The accumulated production for the same period has reached 23.4 million barrels. [Summary] [Quito Voz de los Andes in Spanish 1230 GMT 31 Aug 85 PA]

INFLATION RATE DECLINES--The Central Bank of Ecuador has reported that the average national inflation rate for the first 8 months of the year has dropped to 29.3 percent. Last year's inflation rate for the same period was 40.5 percent. The Central Bank announced that it will attempt to reduce the inflation rate to 20 percent by year's end. [Summary] [Paris AFP in Spanish 1307 GMT 4 Sept 85 PA]

CREDIT AGREEMENT WITH PRC--Ecuadoran Bank Manager Carlos Emanuel and PRC Central Bank Manager Li Shu Tian today signed an agreement to implement a credit agreement that was signed last year. The agreement will allow for the construction of three small hydroelectric plants costing 15 million yen (\$40,000). [Excerpt] [Madrid EFE in Spanish 1200 GMT 7 Sept 85 PA]

CSO: 3348/36

GUYANA

HOYTE GREETES TRINIDAD ON ITS INDEPENDENCE ANNIVERSARY

Georgetown GUYANA CHRONICLE in English 31 Aug 85 p 1

[Text]

PRESIDENT Desmond Hoyte has said Guyana looks forward to the further deepening of relations with Trinidad and Tobago, and "to increased co-operation in the economic field."

The people of Guyana and Trinidad and Tobago have shared a tradition of friendly relations and have together worked assiduously to preserve and develop the Caribbean Community. Cde Hoyte noted in a message to President Ellis Clarke of Trinidad and Tobago.

The message has been sent to President Clarke on the occasion of Trinidad and Tobago's Independence anniversary which will be observed today.

Trinidad and Tobago won its independence from the British on August 31, 1962.

Following is the text of President Hoyte's message:

"As you celebrate another independence day anniversary, I extend warm fraternal greetings and congratulations to Your Excellency, the Government and people of the Republic of Trinidad and Tobago on behalf of the Government and people of the Co-operative Republic of Guyana.

"Our two countries and peoples have shared a tradition of friendly relations and have together worked assiduously to preserve and develop the Caribbean Community of which we both are members.

"Our common desire for global peace and development has also led us, as members of the United Nations, the Non-Aligned Movement and other international organisations, to continuing collaboration for the achievement of these larger goals.

"We look forward to the further deepening of the relations between our two countries and, in particular, to increased co-operation in the economic field.

"Please accept, Excellency, my sincere wishes for your good health and for the lasting prosperity of the people of the Republic of Trinidad and Tobago." (GNA)

CSO: 3298/025

GUYANA

REPORTAGE ON PROCEEDINGS, SPEECHES AT PNC CONGRESS

Shahabudeen at Opening

Georgetown GUYANA CHRONICLE in English 19 Aug 85 pp 1, 8

[Article by Colin King]

[Text]

OTHERS must now carry on "the heroic journey" begun by late Party Leader and President, Forbes Burnham, Vice-President Mohamed Shahabuddeen asserted yesterday in a "forward-looking" address to the opening session of the Sixth Biennial Congress of the People's National Congress.

"We have the men, we have the material, we have the ideas, we have the determination. And we have the Leader", Cde. Shahabuddeen, Chairman of the Party's General Council and of yesterday's opening session told the more than 3000 persons gathered at the Sophia Convention Centre.

"What we do not have is any reason for failure", he told the large gathering.

He called on all to "rally consciously, actively and solidly behind our new Leader (Cde. Hugh Desmond Hoyte) and to give him our every strength and support".

Two minutes' silence was observed as a mark of respect for the late Cde. Forbes Burnham, founder-Leader of the Party.

The "tragic and irreplaceable loss" of the "late and much beloved" Leader, Cde. Shahabuddeen

noted, added an entirely new dimension to the Congress, which is being held in the 30th year of the existence of the Party and for the first time without Cde. Burnham.

If Cde. Burnham's death "does not signify the end of an era [it] is certainly a landmark in the career of our movement", the Vice President told the Congress gathering.

Society has a "debt of gratitude" to the late Leader which can never be repaid. But "the most we can do is to seek not to let him down", he said.

Guyanese, Cde. Shahabuddeen added, can be proud of the "adult and mature" manner in which the transitional steps were taken after Cde. Burnham's passing. "We can congratulate ourselves that the ship of state is on an even keel and in safe hands", he stated.

The "speed and efficiency" of the transition was what Cde. Burnham worked for and what he expected to happen", Cde. Shahabuddeen observed. "It is proof of the continuing and enduring stability of the society fashioned by our late Leader".

To prolonged applause, he noted that in keeping with Guyana's new Constitution, on Cde. Burnham's death,

Cde. Hoyte assumed the Office of President and the Party's Central Executive unanimously elected Cde. Hoyte the new Party Leader. "In his trusted hands now repose ... the two supreme offices of the Governmental and Party sides respectively."

Sustained applause also greeted his assertion that Cde. Hoyte "is a man of vast political and governmental experience, enormous mental energy and matching intellectual powers, profound if unpretentious learning, great practical wisdom and ripeness of judgement and selfless and unswerving

commitment to the cause of the Party and the nation".

He said he had no doubt whatever that Cde. Hoyte's accession to the Presidency "meets with the hearty and unqualified approval of the entire membership of the Party as well as of the overwhelming majority of the people of our country".

Cde. Shahabuddeen noted that Cde. Hoyte's first act as President was to appoint "his good friend, our wise, able, experienced and committed colleague", Cde. Hamilton Green, our new Prime Minister. "This, needless to say", he added to prolonged applause, "will be a source of valued assistance to him (Cde. Hoyte) in the discharge of

his weighty responsibilities".

And, noting that it was Guyana's good fortune to have "strong and decisive leadership", he urged that Party members confidently dedicate themselves to pursuing the policies laid down by the late Cde. Burnham "unwaveringly, without, on the one hand shrinking from the mental labour of interpreting them accurately and applying them intelligently to the new circumstances and conditions as they unfold from time to time and without, on the other hand, yielding to any specious tendency to invoke his name by way of warrant for spurious courses of action".

"If we are to serve our Party and country well, we must cling and cling faithfully to the true message of this great Comrade, and interpret, develop and apply it with the care and integrity due to its real spirit", Cde. Shahabuddeen added.

Earlier, Cde. Shahabuddeen had brought a strong burst of applause from the gathering when he welcomed the "well-merited appointment" of Cde. Viola Burnham, as a Vice-

President and Deputy Prime Minister in the Government.

He expressed admiration for "her handsome sense of public service in answering our new Leader's call".

Looking at the agenda of the Congress, which will concern itself, in large measure to charting policy directions and programmes for the Party and Nation in the next two years, Cde. Shahabuddeen said the element of justice, which informed the work of the Party under Cde. Burnham, should be observed.

The Party is essentially an instrument to achieve justice at all levels of the society, and has a very human mission in keeping with the late President's vision, Cde. Shahabuddeen noted.

He urged members to maintain the principle of justice and uphold the moral values stood for and fought for by the late President and Party Leader and other of

the nation's forbears. Each Party member, he said, must feel, more than ordinarily a compulsion to demonstrate his mettle and prove he is worthy of being treated as a Comrade and fellow worker "in this great crusade of ours to achieve justice for all the people of our land".

Cde. Shahabuddeen concluded his brief, inspiring address to rousing cheers with a call for "Eternal Glory to our late Leader", long life to the new Leader and to the Co-operative Republic of Guyana.

The main address of the Congress, the Party Leader's address, will be delivered today by Cde. Hugh Desmond Hoyte. The address will serve as the basis for discussions and a framework for recommendations by commissions comprising Congress delegates. The commissions will meet later in the week.

(GNA)

Text of Hoyte Address

Georgetown SUNDAY CHRONICLE in English 25 Aug 85 pp 9, 10-11, 12, 8, 13

[Text]

NEWLY-APPOINTED President of the Co-operative Republic of Guyana and new Leader of the People's National Congress Cde. Hugh Desmond Hoyte last Monday talked his way into the hearts of Party members at the Sixth Biennial Congress at the Sophia Convention Centre.

It was his maiden presentation as Leader of the PNC to a Congress of the Party and he left no doubt in the minds of the packed gathering about the high quality of leadership he intends giving and is capable of giving to the Party and nation.

The two-and-a-half hour speech was both scholarly and down-to-earth.

Today the Chronicle carries the full text of the President's speech:

We convene at this Sixth Biennial Congress of our Party in circumstances which are for us strange, unusual, and certainly unanticipated. For the man who founded our Party, who led, guided, inspired us and charted our course for the past thirty years, is for the first time in the history of our Party not physically present at a Congress.

Thirteen days ago, suddenly and unexpectedly, death snatched him away from us. Comrade Linden Forbes Sampson Burnham, Founder and Leader of our Party, President of our Republic, builder of our nation, is dead; and we have lost, each and every one of us, not merely a Leader, but a friend. We have buried him with the ceremonial dignity and the ample national honours which were his due, amidst the nation's outpouring of grief and demonstration of the love, esteem and respect which he had earned by his

long, creative and faithful service to the people.

We of the Party have wept for our hero; we have paid him our highest honours; we must now look to the future as he would expect us to do. The greatest tribute we can pay to him is to continue his work and cling to his ideals. It must therefore be the main task of this Congress to consolidate and advance his work so that the Guyanese people may be assured of continuity with progress.

WELCOME TO OVERSEAS DELEGATIONS

We are particularly moved, at this time, by the presence at our Congress of so many overseas delegations, who have come to emphasise their fraternal ties, demonstrate their friendship and express their solidarity with us. We bid you a warm welcome and hope that you will find your stay among us pleasant, instructive and rewarding.

I would wish also to acknowledge, with great pride, our Guyanese comrades from overseas, who are representing Party and other Guyanese organisations in the countries where they reside. We accord you special recognition and special applause, for your attendance today at Congress is the most cogent evidence of the transcendent value you have placed on your Guyanese origin, heritage and nationality, and of your firm and genuine commitment to the Party, the Government and the country. We welcome you most joyfully.

Comrades, the Founder of our Party, is biologically dead. But he will ever be alive in the hearts and memory of us in the Party and of the masses of the Guyanese people; for he lives on in the monumental achievements he has left us, and in the vision of a humane and prosperous society with which he fired our imagination and quickened our spirit.

COMRADE BURNHAM'S ACHIEVEMENTS

It is good for us at this time to remind ourselves of the amplitude of Comrade Burnham's achievements and reflect on the full measure of our indebtedness as a people to him. We cannot list them all; but let us for the record recount at least some of the benefits he conferred on us — benefits which have endured and permanently enriched the quality of our national life.

He brought us the blessing of peace which we have enjoyed for over twenty years.

He won for us our political independence.

He preserved that independence and our territorial integrity in the face of great difficulties.

He brought the strategic sectors of the Guyanese economy into the ownership and control of the Guyanese people.

He transformed us from a motley collection of people into a truly Guyanese nation with clear objectives, a firm purpose and a common destiny.

He developed in us a sense of self-reliance.

He taught us to assert and defend our dignity, and inculcated in us respect for our fellow citizens, for our culture and for our heritage.

He taught us the importance of economic independence as the true basis of political independence, and he committed himself to the task of winning and preserving our economic independence.

He destroyed the bastions of prejudice, vested interests, discrimination and other forms of social injustice in our country and created equal opportunities for all citizens to develop their talents fully; and to this end, he introduced free education from nursery to university.

He brought us, small as we are, out of obscurity and made us known, respected and admired internationally — in the Non-Aligned Movement, in the Third World generally and in the councils of the United Nations.

He dedicated himself to the ideal of regional integration and was a driving force in the processes which culminated in the establishing of the Caribbean Community.

He laid well and truly the foundation for the development of a stable, productive, humane and prosperous society.

But, above all, he created and developed the People's National Congress to champion the cause of the Guyanese masses, to give them leadership and to

imbue them with a sense of their self-worth and capacity.

Comrade Burnham found us divided; he left us a united people. He found us at war among ourselves; he left us at peace. He found us colonial; he left us proud, independent Guyanese. He found us uncertain of ourselves; he left us self-confident. He found us directionless; he left us with a clear purpose to enlarge and defend our freedom, our dignity, and our self-respect. He found us with meagre economic ambitions; he left us with a bright prospect of prosperity. He found us with our eyes downcast; he taught us to aim for the stars.

His work was not completed when he died, but he has left us precise guidelines for the continuation of that work. It must be the Party's mission, now and in the years ahead, to deepen the process and accelerate the pace of our development along the lines so clearly drawn by him. The leadership of the Party is pledged to continue his work.

Our ultimate goal must be the same as his — the creation of a socialist society in the Co-operative Republic of Guyana. We must reaffirm our commitment and rededicate ourselves to the pursuit of this objective.

GOVERNMENTAL APPOINTMENTS

In the immediate aftermath of the death of our Founder-Leader and President, in accordance with the provisions of the Constitution, I acceded to the Presidency of the Republic. To ensure the continuity of the work of the Government, I have made certain constitutional arrangements and appointments of which I should formally apprise this Congress.

I have appointed Cde Hamilton Green, Prime

Minister and First Vice-President, and Cde Mohamed Shahabuddeen, First Deputy Prime Minister. I have asked Cde Viola Burnham, despite her inevitable and natural grief at this time, to assume in the interest of the nation added responsibilities at the Governmental level.

True to the Burnham spirit and her own commitment to the Party and to the Guyanese people, she has agreed to accept these additional responsibilities and I have therefore appointed her to the office of Vice-President, [Social Development] and a Deputy Prime Minister. By reason of Cde Viola's qualifications and demonstrated competence, capacity and dedication, the Party and Government have been immeasurably strengthened.

CONCERN FOR THE MASSES

Comrades, our Party is rooted in the masses, derives its authority, power and support from the masses. Consequently, concern for the masses has always been a cardinal principle of Comrade Burnham's work and of the programme of our Party. As we seek to advance our Founder-Leader's work, this concern must be central to everything that we do. There must be no slackening of our endeavours to ameliorate progressively the condition of the poor, the disadvantaged, the oppressed, the vulnerable. Our programmes must continue to reflect a constant preoccupation with improving their lot.

In the period ahead, we must apply ourselves methodically and with zeal to the task of enhancing their circumstances of life, within the context of our socialist objective of guaranteeing each citizen the necessary set of goods and services that is consistent with a decent, dignified existence. We

must continually plan and work to expand employment (including self-employment) opportunities; expedite the existing procedures for allocating land to the tiller; extend the availability of housing units; increase recreational and cultural opportunities; and facilitate better and quicker access to the range of social and other services which the Government has been providing and which it will continue to provide over the years for the benefit of our people.

Following the example of our Founder-Leader, every Party comrade must intensify his or her activities among the working people; get out to the worksites, the factories, the farms, the ricefields, the canefields, the riverain communities, the logging and mining localities, wherever the working people are to be found, and identify with them and support and encourage them to improve their living and working conditions. For the Party, the welfare of the masses has always been paramount,

is paramount now, and must remain forever paramount. The Party's motto is, "IN SERVICE OF PEOPLE". Let us always frame our activities in such a way that the people continue to see that this is no mere slogan but a living reality.

Comrades, the task before us is great. If we are to achieve the goals we have set ourselves, protect the gains which we have won over many a long year of struggle under the leadership of Comrade Burnham, and give ourselves the best possible chance for extending those gains, then we have to proceed with our work in an orderly, disciplined and businesslike way.

At both Party and national levels, we have to institute the necessary arrangements to ensure that the life, viability and momentum of our organisations are independent of individuals and personalities. We must so structure our administrative and other affairs that our institutions will function efficiently, whatever the circumstances,

and thus facilitate continuity of policy regardless of a change of men. Our Party has set an example to the nation of how we should structure our national life.

It has been Comrade Burnham's greatest legacy to us that he left the People's National Congress, an institutionalised Party which has remained intact, strong, efficient and united despite his death. He left the PNC the only truly organised political force in this country, the only political entity capable of forming a government and administering the affairs of the State. And the fact that we have been able to proceed with the holding of our Sixth Biennial Congress is irrefragable proof of the success of his work in building our Party over the years.

In the same way as we manage the affairs of our Party with great efficiency, we have to redouble our efforts to ensure good order in the management of our national affairs. We must administer the State in a businesslike way, establish the appropriate institutions,

mechanisms and procedures, set out our objectives clearly and precisely, and create an environment conducive to the achievement of those objectives.

Once we have put systems and procedures in place, everybody must respect them and adhere strictly to them. We must establish clear lines of authority and implement the principle of accountability. Having done these things, we can then properly demand of our political directorate itself, our bureaucrats, managers and other workers--indeed, all the people of Guyana--the "sustained and disciplined endeavours to achieve the highest possible levels of production and productivity" enjoined on them by Article 38 of our Constitution.

It is important that we operate within clearly defined rules, within a framework of due regularity. These are the directions in which we have to go in strengthening national discipline and organising our society to achieve the national objectives which our Founder-Leader so precisely identified.

Comrades, as we seek to devise models for the efficient management of our country, we must not hesitate to be bold and innovative. We are attempting to achieve some unique objectives. It would be futile to believe that we can find precedents for all the necessary facilitating mechanisms.

We have to do our own thinking and come up with our own solutions. Our Constitution prescribes that the political system should provide increasing opportunities for citizens to participate in the management and decision-making processes of the State. For us, this is the essence of democracy. We must strive for more effective and responsible management of national affairs by devoting powers and decentralising authority.

It is therefore very important to the success of our efforts that the process of regionalisation should be deepened, and the deployment of competent, experienced public officers into the regions be completed as a matter of urgency. It was the hallmark of the colonial system that the people had to travel long distances, at great inconvenience, to obtain such services as were provided by the State.

It must be a distinguishing feature of an independent Guyana that central and local government agencies carry services to the people. The Regional System must be the main vehicle for delivering such services.

The problem of efficient performance in the state enterprise sector is an old one. We must apply our minds continuously to this problem with a view to ensuring acceptable levels of performance. I would remind comrades that we have recently reorganized our State enterprise sector to confer on our managers the necessary authority and flexibility to make appropriate management decisions in a timely and professional manner within the framework of general governmental policy.

Public Sector managers are now free from the possibility of day-to-day interference in the running of their enterprises. We expect of them, therefore, sound businesslike performances--and a minimum of excuses--in the management of their corporations.

I wish to say a word about our public sector enterprises. These enterprises belong to the people, the Government being merely the trustee or custodian of them. Their task is to serve the people, to provide them with goods and services of acceptable quality and at prices which are fair and reasonable. There has been a tendency in the past for some corporations--not all, to say all would be unfair--to try to mask their operations from public scrutiny. This is self-defeating, and certainly inconsistent with the policy of the Party and the spirit of our Constitution.

The Party must insist that these enterprises operate at all times under full public scrutiny, due regard being paid to normal business confidentiality, and be sensitive to public opinion.

The Party's Duty to Win Friends

Comrades, while the Party has a pivotal role in giving leadership in the society, the task of development requires the involvement of all Guyanese citizens, Party members and non-Party members alike. Our arrangements must be so frames as to accommodate all citizens who are willing and able to contribute to this task. History has bequeathed to us a complex society with peculiar char-

acteristics, involving a plurality of cultural, religious, economic and other elements.

In such a situation contradictions and conflict are inherent. It is the mission of wise Government to manage these conflicts and resolve them in a satisfactory manner. We must not therefore fall into the error of believing that the Party machinery by itself can accomplish the great work to be done, without the active involvement of the majority of the people.

As we in the Party proceed with our work, we must not lose the benefit of the wisdom, expertise and experience of people of goodwill. Rather, we must consider it our duty to encourage them to work along with us in the larger national interest.

In particular, we must reach out to, and empathise with, the concerns of cultural organisations, trade unions, private sector businessmen, religious groups and other socio-economic groupings.

Over the past week, since I assumed the Presidency of the Republic, I have been talking with a large number of people representing a wide cross-section of interests in our country--cultural, economic and political, I paid attention to what these citizens had to say; and I was left with the strong impression that all of them placed the highest importance in the integrity of Guyana and the welfare of its people; that all of them appeared to be genuinely interested in the development of our country; that all of them were appreciative of the environment of peace that the Party has established and maintained.

It became obvious to me that there was a great fund of goodwill on the part of many people who might not necessarily be members of our Party, might not necessarily claim to be socialists. We must not ignore this reality of commitment to the nation. This, of course, is not the result of chance or accident; it is a direct result of the work of our Party over the years under the leadership of Cde. Burnham. We must continue to channel this fund of goodwill, into activities which serve the interest of the stability, safety, development and future prosperity of our country.

We of the Party must reach out to all persons of goodwill who are prepared to work with us in the interest of Guyana and the Guyanese people as a whole.

The Private Sector

We have a trisectoral economy and our Constitution guarantees a place for private enterprise. Our private sector businessmen tend, by and large, to be nationalistic and have cooperated with the Government in many areas of national policy.

We must be positive in our understanding of the contribution that the private sector can make to the development of our country. We must continue to ensure a suitable climate within which it can function satisfactorily.

We must seek to enlarge the opportunities for it to play a more rewarding role at the level of national decision-making. To this end, therefore, in the same way as I have appointed a Presidential Advisory Committee on Religious Affairs with a membership drawn from the various religious faiths existing in our society, I have also appointed a Presidential Advisory Committee on the Private Sector with a membership drawn from private enterprise.

The Trade Union Movement.

The Party, being dedicated to the interests of the working people, has always given the strongest support to the workers and their unions. We must intensify our work among the unions, help them to organise their affairs in a more efficient and businesslike fashion, and encourage them to assume, with confidence, the prominent role envisaged for them by our Constitution in national planning, management and decision-making. Ours must be the task of bringing to all workers a full appreciation of their constitutional rights and duties and imbue them with a sense of their capacity to perform effectively at the level of national policy-making.

Relations With the P.P.P.

Comrades, believing not as we do in peace not conflict, we have initiated a formal dialogue with the People's Progressive Party, the main minority political interest group in this country. On 25th January, 1985, our Deputy Leader, acting on the instructions of the Central Executive Committee, sent a letter to the Leader of the P.P.P., inviting that Party to begin constructive talks with us on the possibilities of cooperating in mutually identified areas of national life to promote the welfare of the Guyanese people and protect the national interest. For us, that invitation was a genuine one. We do not seek to gain any public relations benefit from it. We do not need to do that since, of course, we are proceeding from a position of strength.

Because we are faithful to the provisions of our Constitution and the ideals of our Party, we seek to build in this country a society that can resolve its differences not through conflict and confrontation, but through cooperation and consensus. Indeed, our constitution confers the right and imposes the duty on all citizens to participate in the work of building our country and our society.

It was against this background that the letter was sent. Indeed, it was not the beginning of an initiative, but rather a stage in a process of continual contacts which were being made at an informal level for some time. The Central Executive Committee of the Party was of the opinion that if anything positive was to eventuate, we should eschew, secretiveness and proceed in a formal, open and public way. The preliminaries to those talks have started; they have not gone any great distance; but our Party remains committed to the idea of dialogue. We hope that the P.P.P. will recognise that the interests and welfare of the Guyanese masses and the safety of our people will be best served by co-operation with us. In the final analysis, the Party is seeking to give the members of the P.P.P. an opportunity and ample scope to play a substantial and meaningful role in national life and involve itself fully in the constructive work of developing our country, in the national interest, we will always keep the door open for them to enter honourably into the arena of nation-building.

If they approach the talks in the same spirit of national interest which we have, I am confident that the outcome will be a success for us all.

Foreign Relations

In this modern world, we cannot live in isolation and have never tried to do so. We have always pursued a very active foreign policy as one of the best means of promoting and protecting our vital national interests. The principles which have informed our policy in the past have served us well.

The basic lines of our foreign policy must therefore remain the same. We value our independence and will never pawn or compromise it. We will not be the satellites or surrogates of any country, big or small. It has always been a dominant consideration with us to be on friendly terms with all countries which respect our sovereignty and independence. It is a matter of commonsense to strive for good relations with our neighbours and similarly with all countries in our hemisphere.

We must adhere to this policy and strive constantly to improve and strengthen these relations. We must not resile from our commitment to the Non-Aligned Movement; and the promotion of cooperation at all levels among Third World countries must continue to be a major concern. In the United Nations and in other international councils we must continue to speak and vote, not in accordance with expediency, but pursuant to a clearly-defined principle, namely, our national interest and the merits of the particular case or issue.

But, of course, in promoting friendly relations with the various countries of the world, we have one exception, and this is South Africa. We must continue to be adamantly opposed to the brutal system of apartheid and the structures of oppression which the South African Government has entrenched to degrade and dehumanise the Black people of South Africa.

We can never accept any thesis that nature has made some people a master race, while condemning others to a status of inferiority. In particular, we reject the theology of the South African Government with its implication that Black people were made to be mere hewers of wood and drawers of water.

Support for the Freedom Struggle in South Africa

The People's National Congress has a proud record of support material and moral support—for our brothers and sisters in Africa who have over the years struggled to free themselves from the colonial yoke and inhuman oppression. Notwithstanding the misguided criticisms of a few charlatans in our country, some of whom now even pretend to be supporters of freedom fighters, we, as a Party and a Government from the beginning declared our position unequivocally.

We took our stand unapologetically and contributed to the cause of our brothers and sisters in Africa, not merely from Party funds, but from the Public Treasury. We rejoiced when the bastions of racism fell in Angola and Mozambique, and in Guinea Bissau and Zimbabwe, and in other countries in Africa. And we know that they must and will also fall in South Africa and Namibia.

The people of South Africa and Namibia must and shall be free. We must continue to give them our moral and material support and let them know that they are not alone in their struggle.

Let us take this opportunity to salute that great leader Nelson Mandela, and that magnificent and heroic woman, his wife, Winnie Mandela. So long as the oppressed people in Southern Africa have leaders like these, for whom no sacrifice of life or liberty is too great, South Africa and Namibia must one day win their freedom. May that day be soon. Let us now rededicate ourselves to the cause of the oppressed people of Southern Africa who are struggling so bravely for freedom and dignity in their own land.

We cannot speak for others; we can only speak for ourselves; and for ourselves, we say that we can never forgive any one who voluntarily, by whatever means, gives aid, succour or comfort to the South African regime. Our position has been, is and always will be abundantly clear on this issue. Such a person will not be welcome in Guyana.

Venezuela

For years, the claim by our neighbour, Venezuela, has diverted a great part of our energies and resources away from the developmental task. We have always expressed a willingness to cultivate a cordial relationship and to adopt peaceful methods of resolving the controversy which has arisen between ourselves and Venezuela as a result of the latter's contention that the Arbitral Award of 1899 is null and void.

With the advent of Accion Democratica Government in Venezuela under President Jaime Lusinchi, there has been a welcome lowering of tension between our countries and a positive response to building bridges of cooperation between our peoples.

Comrades are aware that in accordance with the provisions of the Geneva Agreement, the Secretary General of the United Nations has the mandate to choose one of the means of pacific settlement provided for in Article 33 of the charter. We await the Secretary General's determination and reiterate our commitment to full cooperation with him.

Guyana and Caricom

Comrade, our late Leader, Cde Burnham, was a founder of the regional integration movement, and he wholeheartedly committed our Party and our country to that movement. We remain convinced integrationists. We remain committed to the ideals and purposes of the Caribbean Community. We must therefore continue to do our best to promote faithfully the objectives of the Treaty of Chaguaramus.

But having said that, perhaps I should add that we shall continue to develop this country along the model we have chosen for ourselves and regret profoundly that we cannot be distracted by the pontifications of meddlers. There is nothing in the Caricom arrangement that gives nationals of any member state the right to interfere in the domestic affairs of another member state. We have

never interfered in the internal affairs of other countries; we do not intend ever to do so. We do not accept the right of any non-Guyanese to meddle in our affairs. In this context, it shall be our steadfast policy to ignore the mouthings of marginals who from time to time arrogate to themselves the right to pronounce and to pass judgement on our domestic affairs.

External and Internal Dangers

Comrades, although our Party and Government have maintained peaceful conditions in this country for the past 20 years, there have been continual efforts from one source or another to undermine the foundations of our society.

But Cde Burnham has always warned us about these machinations and of the necessity for constant vigilance. We are aware that, at this time, there are frenzied activities being mounted to create confusion in our country. Our enemies never sleep--they are always on the look-out for opportunities for mischief.

At present, there is a skilfully organised campaign to tamper with the loyalty of senior public sector administrators and managers and attempts have even been made to subvert Party cadres and officers in the Security Forces. The classic technique of undermining public confidence by spreading rumours and other forms of disinformation is very much in evidence. Over the past week, we have been hearing that our Party has factions, that there are personality conflicts, that a power struggle is going on, that one Party leader or another has fled the country or has cardiac problems or lung troubles. All of these things are not accidental. They are designed to strike at the confidence of the public and the unity of the Party.

We have always been subjected to various pressures calculated to destroy the morale of our people and destabilise our Government. These efforts are sometimes crude and overt; at other times, subtle and covert.

These hostile activities have been occasioned by our determination to be independent in our external and internal policies and to follow our own path of development. We are, therefore seen as being dangerous and aberrant people who decline to conform and who set a bad example to those who are included to accept tamely dictation from others.

Consequently, we have had deployed against us the standard techniques of destabilisation, including the external orchestration of a media campaign to discredit our leaders and our policies and deny our achievements.

From time to time, we have witnessed activities carefully planned and calculated to disrupt production, create divisions, and generate doubts and confusion in people's minds. But over the years we have successfully combated these assaults on our Party, our Government and our country.

Once again, our enemies are indulging in their dirty tricks. Since the death of our Founder-Leader, we have witnessed an upsurge of externally co-ordinated hostility. As a party, we will have to confront and overcome these threats to the very existence of our country.

Comrades, the fact of the existence of conspiracies in North America and elsewhere to introduce arms and mercenaries into our country, assassinate our leaders and seize power by violent methods has become public knowledge. Some of the conspirators, including former Guyanese citizens, have been arrested and brought before courts of law in the United States of America and Canada. But we know that there are others still at large.

We have knowledge of their links with certain traitorous elements in our country. We also know of the massive financing by foreign agencies of certain motley groups, masquerading as political parties, in our country. And we have noted, too, the activities of some overseas based Guyanese nationals and erstwhile nationals who have publicly invited foreign governments to invade our country and overthrow our Government. From time to time, too, agents provocateurs have attempted to infiltrate our country. We have apprehended some of them red-handed with the materiel of subversion that they were importing into this country, and expelled them.

And we must take cognisance, too, of the behaviour of some big powers in blocking or attempting to block the flow to Guyana of financial resources from multilateral agencies and other sources of external financing--resources that are vitally needed for developing our country and enhancing the standard of living and quality of life of our people.

The insolent conduct of certain foreign agencies and persons who have arrogated to themselves the right to enter our country, uninvited by our Government, to investigate our institutional affairs is to be understood in the wider context of the campaign to destabilise our country.

It is the duty of our Party comrades to be constantly alert and vigilant. They must develop "security consciousness". They must be able to recognise and deal with the various forms of subversion. They must be able to identify and neutralise saboteurs in our midst. This is not an invitation to go witch-hunting or licence to start denouncing persons indiscriminately as the way of settling personal grudges. The Party would never stand for that. But the defence of the country requires constant vigilance.

The ways of subversion are devious, and are all calculated to confuse and demoralise. Its forms are legion. It always aims to undermine the confidence of the people in their leadership at enterprise, community and national levels. Its tactic is to weaken the morale of workers and discourage them by disorganising production. The Party must be the first line of defence in combating the destabilisers, and must be able at all times to reassure the masses and strengthen their resolve to resist. The question of the security of the State must always be for Party Comrades one of urgent national priority.

The Attack on the Nationalised Industries

Cde Chairman, when we nationalised the bauxite and the sugar industries and brought them and other strategic economic activities into Guyanese ownership and control, it was with certain clear and specific objectives: first, to ensure that the economic benefits from these operations accrued to the Guyanese people; second, to ensure that we Guyanese were in a position to dictate the

admission that we are abandoning the socialist ideal, and we have no intention of doing that. I speak on this matter today so that those agents of imperialism in our midst of whom I speak may understand how resolute we are.

I wish them to understand that if they persist in their plottings to destroy the gains of our people and to strike at the foundations of our revolution, we shall visit them with the firmness of a responsible Government mindful of its duty to defend the public interest.

Comrades, all of these intrigues and machinations to which I have referred are not fortuitous. They are part of an orchestrated strategy calculated to intimidate, injure and destabilise. But our enemies do not understand the People's National Congress or the Guyanese masses. We are a proud people of independent mind and character. We are no craven spirits. We cannot be cowed. We have always confounded them in the past. We will confound them again today and tomorrow and always.

And why have we frustrated their evil designs in the past? Because as a Party we have been united; because Comrade Burnham always warned us against the factionalism and its terrible consequences; because he taught us to be constantly vigilant against the wiles and cunning of the enemy. And we have been good students, we learnt well. Today we forget or ignore his teachings at our peril.

The Debt Problem

Comrades, the international economic situation remains very difficult. After the last world war, the countries we now call 'developed countries' devised and entrenched trading and financial institutions and practices, and reinforced them with an appropriate legal and political framework, with a view to rebuilding their shattered economies, accelerating their growth, and ushering in prosperity for themselves.

These arrangements were all geared to the specific narrow interests of that small group of countries, and have been maintained and strengthened over the years without any change of focus or intention. This has been the genesis of the current world economic order--a set of arrangements which has always been disadvantageous to developing countries.

With the onset of the recession which afflicted the developing countries in the 1970's, their disadvantageous situation deteriorated into disaster. We need not dwell upon the details or particulars of the way the economies of small developing countries were shattered. Let us merely note that they remain in shambles, many with little hope of resuscitation under the rules of the current international economic order.

The enormity of this problem can perhaps best be gauged by the huge external debts with which the developing economies are oppressed. For example, the long and medium-term external indebtedness of the Third World increased to more than US\$580 billion by the end of 1983, as compared with US \$75 billion in 1973. These figures show a 673 per cent increase against about 20 per cent during the previous decade. Throughout the Third World large, medium and small sized countries are faced with this intractable problem of debt. I do not wish to

pace, direction and quality of our development; and third, and most important, the restore and enhance the self-respect of every Guyanese worker whose dignity and humanity had been affronted by the status of inferiority to which they had been relegated and by the discrimination practised so flagrantly against them in their own land. We remember so well how those transnationals set up their own system of apartheid right here in our own country.

How can we forget that in the bauxite region the Watooka area was organised as a "white reserve" into which no Black person--and by Black I mean all non-caucasians--no Black person could enter unless he or she were a servant? So right here in Guyana, we had the experience of apartheid, with all its dehumanising and degrading consequences--until the People's National Congress destroyed it, root and branch.

So long as the Party holds the State power it will never return to this land.

The nationalisation programme that we implemented was an imperative assertion of our political and cultural independence. And because we had the will and the courage to assert our independence in a positive way, we have given our people not only a sense of confidence in their ability to do things, but also a full understanding of their dignity and self-worth as human beings.

But, Comrades, there is nothing which says that these gains will automatically remain with us--they will remain only remain if we are vigilant to preserve and protect them and oppose with all the power at our command those who would deprive us of them.

Comrades, there are agents in this country who recognise the psychological and economic importance to our national dignity, stability and progress of the act of nationalisation that we took many years ago; and they are working assiduously to destroy our gains. Their tactic is to create doubts in the minds of our people about the benefits of nationalisation. They have launched a campaign against the nationalised industries and against the very principle of nationalisation.

We have seen, within recent times, a document being circulated which alleged that every conceivable problem we are facing, economic or otherwise, has stemmed from nationalisation.

The inference was that we should denationalise. And it is not without significance that this document surfaced at a time when a campaign was being mounted externally to coerce us into accepting a policy of denationalisation--or privatisation, as it is called. And who was the author of this document? A person born in Guyana? No! A gentleman allegedly born in Ireland who elects to repay our hospitality by promoting the designs of the imperialists and endangering the vital interest of the Guyanese masses. We are a patient people--but our patience is not inexhaustible.

But let me make our position clear on this issue. While the People's National Congress remains in office, the bauxite industry, the sugar industry and the other strategic industries which we have nationalised in this country will never, never, never be denationalised. For one thing, to do this would be an

enter, at this time, into the debate as to how to resolve this international problem. I wish to confine myself to the Guyana debt situation and the measures we have taken, or are preparing, to deal with it.

We are responsible people and we have to take account of the debts we have contracted and which we have legally obliged ourselves to repay. Roughly 60 per cent of our external debt is medium and long-term.

About 40 per cent of all external debt has been negotiated by us on concessionary terms.

The short-term debt is of very recent vintage, having been contributed to significantly by the recent growth of commercial arrears. Thus, the bulk of our debt has been associated with investments geared to increase the productive capacity of our economy through a fostering of greater utilisation of our natural resources.

The key to repayment is the bringing to fruition of those investment projects and the increased utilisation of already installed production capacity. It is out of our productive efforts that there will derive the resources to fund repayment.

We have not squandered our loans on riotous consumption sprees, nor have we been indulging in a general way in patterns of high imports for consumption. Our responsible thrust has been the pursuit of production with consumption kept to a bare minimum.

It is against this background, and in accord with our own analyses, informed by the clear experience of other countries, that we have concluded that the standard IMF prescription is not only palpably irrelevant and useless, but also positively dangerous and counterproductive in our particular situation.

We must resist with all our might the pressures that might be exerted to force us on to the IMF's Procrustean bed. We must continue to argue for fundamental changes in the prescription itself to make it relevant and useful before we even consider applying it to ourselves.

Our debts fall into several categories. Some are due to

commercial banks, others to multilateral financial agencies; some are due to suppliers of goods and services, others to Governments as a result of bilateral arrangements; yet others have arisen from trade deficits with certain countries. Let there be no doubt about it. We intend to meet all our obligations.

Obviously, we must apply different techniques and propose different models for dealing with each category of debt. We have put

forward proposals, or are in the course of doing so, to our creditors for dealing with our indebtedness. We believe these proposals to be reasonable and, in the given circumstances, represent a practical approach on our part.

Like all other countries facing a debt problem, we are in no position to discharge these obligations by immediate payments. We must have time; we must obtain some reasonable rescheduling. In some cases,

we have proposed a package including cash payments, commodities and joint economic ventures designed to generate foreign exchange which could be used to help liquidate particular debts.

These proposals show that we are a serious Government and a people who value our reputation. We will continue to negotiate repayment terms with our creditors in good faith.

Our Programme for Economic Recovery:

Faced with our economic problems we did not drop our hands and go about complaining or whining or believing that the solution to our difficulties lay in mendicancy. We opted instead to organise our production more efficiently, to pursue a policy of self-reliance, to increase our agricultural output with the objective of achieving food self-sufficiency, and to reduce our dependency for raw materials, as far as practicable and as speedily as possible, on external sources.

There were a few timid souls who expressed fear. There were a few wise acres who knew that the policy could not succeed. There were the professional oppositionists whose task in life is to oppose everything that the Government does.

But the masses of the people, with their usual wisdom, understood and rallied to the Government, because they appreciated that, in the final analysis, we were fighting to preserve our political independence and the gains we had made over the years since emerging out of colonialism. The masses understood that, above all, this was a struggle to preserve our dignity as free men in a free and sovereign state.

And how well we have been succeeding!

Let me illustrate the measure of our success by recounting to you two stories. At the beginning of last year a certain World Bank consultant did a survey of our bauxite industry and predicted that, come the end of 1984, the industry would have collapsed because it did not have adequate management. At the end of 1984, far from collapsing, the bauxite industry showed remarkable recovery and growth. Production of calcined bauxite increased by 57 per cent; abrasive grade, by 100 per cent; chemical grade by

57 per cent; and overall earnings of the industry increased by 65 per cent. And all this was achieved by whom? By the same Guyanese managers who were said to have been inadequate and the other bauxite workers.

And now the second story. Early last year, too, another World Bank consultant gave as his opinion that it was impossible to remove a large walking dragline from Linden, transport it to Kwakwani and re-erect it there, because, said he, there were no qualified technicians in Guyana capable of doing it. In September of 1984, I had the pleasure and good fortune to travel to Kwakwani to commission that same dragline which had been dismantled, transported and re-erected at Kwakwani. And by whom? By a team of Guyanese technicians employed at Guymine.

Comrades, I say again and again that we must be confident. We must not underestimate our ability and capacity to achieve. Because we set about our tasks with great seriousness and with confidence in ourselves, we were able to achieve in 1984 higher overall levels of production. In the end, we achieve what we estimated to be a 2 per cent growth in real terms. But the World Bank, using different figures, has concluded that we were over-modest and that our real growth was 5.5 per cent.

Be that as it may, the fact is that our economy has taken a turn for the better, when our detractors said it could not be done. We are on the road to recovery.

Planning, Development and Production:

Comrades, we cannot rest on our laurels, for ours is a long and hard road to travel; but we have the satisfaction of seeing that our efforts are bearing fruit. We have been planning carefully and methodically to

ensure self-sustained growth and balanced development in our country.

The Party has always recognised — and Cde. Burnham has always reminded us — that development is a slow, painful and sometimes dangerous process. But for those who have the courage and the will, it can also be an exhilarating experience.

It is otiose for me to remark that, in the final analysis, our safety, well-being and future prosperity will depend upon the volume and efficiency of our production.

It has been said, with much wisdom, that only a productive nation can be strong and only a strong nation can be free. We have opted irreversibly for freedom. We can guarantee that freedom only by ensuring the highest possible levels and quality of national production.

We are not a country without resources: these are rich and bountiful. And so, for us Guyanese, there is always before us the prospect of improved material and cultural conditions and a better life. We have therefore as our Founder-Leader would have said, to apply our resourcefulness to the development and exploitation of these resources.

In every segment of our economy, therefore, there is intense activity. It is noteworthy how varied and extensive is our range of projects and programmes. They are all designed to diversify our economy, utilise indigenous resources and create sensible linkages within the economy. The grand objective is to create a modern economy that is viable, growth-oriented and self-sustained. The projects and programmes span the whole spectrum of economic life — agriculture, fisheries, forestry, mining, manufacturing, and energy. It is impossible to list all of them but it is important

that we obtain a general grasp of the way our economy is developing and the various measures and programmes we are putting in place.

We must accelerate the pace of our development and improve the quality of our planning process. To do this we must harness the collective energies and wisdom of our peoples — and we must do this because it is dictated both by our socialist beliefs and our constitutional requirements.

Our Constitution directs us to plan our economy in a methodical and systematic way and to involve as many people as possible in the planning process. The role of the State Planning Commission is therefore crucial to the success of our efforts. The Commission has been developing a strong secretariat with an adequate complement of professional staff.

The task must now be to complete the establishment of the organs of the Commission to provide for the participation of citizens, through their various socio-economic organisations, in the planning process.

To this end, the various regions will be encouraged and assisted to establish regional planning units, and by next month the National Economic and Social Council will be constituted. This Council, in terms of our law, will be the forum through which the trade unions, businessmen, farmers, professional organisations, consumers, artistes and the citizenry in general, through their particular organisations, will have formal contact with the Planning Secretariat and be provided with the opportunity to influence the planning process and monitor and evaluate the progress and impact of our projects and programmes.

All of these developments evidence the way in which our society is evolving in conformity with our own philosophy and with the

directions of our Constitution that our political system must provide for ever-increasing numbers of citizens to participate in the management and decision-making processes of the State.

THE SUGAR INDUSTRY.

Given the depressed world price of sugar, the uncertainty of markets and the dismal forecasts, Guysuco cannot remain primarily a sugar-producing entity. Government has given instructions for plans to be drawn up to transform the industry into one which is based on growing sugar cane and on its capabilities in plantation-scale agriculture.

Therein lies a difference. The industry would now be expected to organise itself to use the sugar cane as a raw material for producing a wider range of economic products, and not merely sugar.

The Corporation has therefore been directed to diversify by growing new crops, such as rice and onions, utilising its resources and raw materials more fully, and manufacturing new products from the sugar cane. Thus, Guysuco has already completed a study for utilising its bagasse for generating electricity.

It is estimated that the industry would be able to supply 440 gigawatt hours of electricity per year to the national grid.

The objectives of Guysuco's diversification will be to reduce the sugar industry's vulnerability to the vagaries of demand and prices for sugar and to ensure, maintain and improve the viability of the company, so as to preserve employment opportunities for the 27 000 workers currently employed and provide the national economy with greater net earnings of foreign exchange.

THE RICE INDUSTRY.

We have taken very seriously the question of the efficiency of the rice industry. If we are to remain competitive rice product producers, we have to increase our efficiency by better organisation, management, husbandry techniques, postharvest practices and product diversification, among other things.

From the first of this month, in place of the old Guyana Rice Board we have established three separate corporations in the quest for greater efficiency and stricter accountability in the management of the sector. The Grading Authority will be responsible for ensuring proper and fair grading of all padi and rice.

The Milling and Marketing Authority has a responsibility for ensuring an efficient system of milling and domestic marketing of padi and rice, and the Rice Export Board will concentrate its efforts on the external marketing of rice and rice products. Rice farmers and millers are fully represented on the boards of management of all of these entities.

We expect that with these new arrangements the industry, at the national level, will be managed with greater efficiency than hitherto and the interests of the farmers and the country better served.

OTHER AGRICULTURE

But we do not intend to perpetuate the old mistake of treating the rice industry, important as it is, as if it alone constituted the agricultural sector. Thus, throughout the sector, much work is being planned and implemented to improve efficiency and production of other crops. Neglected crops such as coffee and cocoa are being resuscitated and the honey industry is being re-established throughout the country.

To service the agricultural sector, nurseries are being established and/or rehabilitated in every region to provide seed and planting material for farmers. And with the entrenching of the Regional System a full complement of agricultural officials is being posted to every region. They will, of course, be answerable to and supervised by the Regional Democratic Councils. The Ministry of Agriculture plans to make available one million units of planting material on World Food Day this year to boost our agricultural effort.

We have launched the National Dairy Development Programme with the intention of making ourselves self-sufficient in milk production by the year 1988. The introduction of appropriate pricing policies for milk, the assistance being given by the National Dairy Development Programme to farmers in the establishment of pastures, and the reintroduction of an artificial insemination programme have already had a great impact on milk production, and increased quantities of milk are being produced throughout the country.

Already at MMA no less than 60 farmers have applied for 50-acre lots to establish dairy farms, and land is being allocated to them.

A Committee headed by Cde. Minister Simpson Da Silva to make recommendations for the revitalisation of the beef cattle industry has reported, and already several recommendations have been implemented to help the industry. The marketing arrangements for beef from the Rupununi are now the responsibility of the ranchers themselves and this has brought great satisfaction and a higher level of efficiency and better prices to them.

The Security Forces have set up permanent arrangements for countering rustling activities which have

become prevalent both in the Rupununi and on the Coast. Army and Police have set up joint patrols in the Rupununi, and have established a permanent unit to deal with this problem in Region 5 where it is particularly acute. Moreover, the Police have been instructed to exercise greater surveillance over and inspection of cattle being transported along our highways, and the cattle stealing legislation will be amended to make it more efficacious. The industry will be supported through easier access by ranchers to land for pastures and to financial resources provided by institutions like GAIBANK.

The Ministry of Agriculture has been directed to provide maximum assistance to small farmers producing food crops and also to those engaged in the coconut industry. As from the first of next month a reorganised Guyana Marketing Corporation will come into being.

The Corporation will not be buying produce since, given the favourable prices and great demand for agricultural produce, there is no need for any price support or purchase arrangements at this time.

The Corporation will be helping farmers with post-harvest and marketing arrangements to minimise spoilage, improve the incomes of farmers, and facilitate efficiency in the distribution and export of produce.

For the first time in the history of our country, our farmers are enjoying real prosperity and are taking their rightful place in our society. All of this has been brought about by the People's National Congress Government.

One of the problems we have been grappling with for the longest while has been an inability to organise certain aspects of agriculture in a modern and business like way. To this end, we shall be establishing

certain agricultural complexes, in joint venture with some friendly countries, with the objective not only of introducing some new crops, but also of demonstrating to our Guyanese farmers the techniques of modern agricultural organisation. Projects, which will include the growing of soya, corn, legumes, among others, will be implemented with Yugoslavia, D.P.R.K., G.D.R., and Cuba pursuant to protocols under various economic co-operation agreements.

And in co-operation with the People's Republic of China, we have implemented a duck farming project which has been developing very successfully. A joint venture in fisheries between Guyana and China is being finalised with a view to starting commercial activities at an early date.

Comrades, we are not self-sufficient in edible oil but we intend to become self-sufficient. The programmes we have introduced have already begun to show results. National Edible Oil Company (NEOCOL) is now receiving larger supplies of copra as a result of recent pricing policy changes, and has already started to organise the collection of wild nuts and other oleiferous materials on a systematic basis and to increase the yields from our oil palm cultivations. I have been assured by the management of NEOCOL, that by 1988 we shall be self-sufficient in edible oil.

During next month we expect to receive from the Agricultural Ministry planners a 5-year Agricultural Plan. This Plan will outline definitively our agricultural policies and set out the programmes, measures and facilitating mechanisms we will be putting in place to achieve our objective of nutritional self-sufficiency in food and surpluses for processing and exporting. Crucial to the achievement of this ob-

jective will be the activities of the National Agricultural Research Institute.

Through co-operation with friendly countries also, we have been ensuring that we can provide the machinery, equipment and other needs of our farmers. Earlier this year, we received by way of gift from the Democratic People's Republic of Korea, 100 tractors, 50 of which have already arrived and the rest will be arriving in December. Through our co-operation agreement with the German Democratic Republic, we have already received 30 tractors and 20 combines, and 50 more tractors will be arriving in October. The Guyana/Libya joint agricultural company has brought in 10 tractors and 4 combines and the Government has facilitated the importation of 17 combines by private farmers. In addition, 2 more combines from Yugoslavia should arrive before the end of the year.

I have mentioned these matters in detail to indicate the continuous concern of the Government with ensuring the things necessary for sustaining the momentum of our agricultural drive.

Comrades, 1985 promises to be the start of good times for production in the forestry Sector. Demerara Woods Ltd. would be coming into commercial production during the last quarter of this year. Already two of its power generating lines, capable of giving 1.3 megawatts, have been commissioned and the others are due to be commissioned next month. The Company will be producing 15 million board feet of rough and dressed lumber next year and will be harvesting some 80 000 cubic metres of logs per annum to manufacture a range of products.

THE GOLD AND DIAMOND INDUSTRY

The gold and diamond industry can contribute significantly to the generation of Government revenues and foreign exchange earnings. The Government has been working very closely with the Gold and Diamond Miners' Association to put the industry upon an orderly basis. The productivity of miners has increased as a result of the introduction of a guaranteed foreign exchange allocation scheme that has given them better access to spare parts, equipment and other items required in the industry. The Government is now studying a comprehensive scheme, based on recommendations by an association, to resolve problems such as transportation, fuel, food supplies and prices which are said to be inhibiting increased production.

There are bright prospects for larger scale activities in the industry. We have established joint ventures and other mutually satisfactory arrangements for the production of gold with Yugoslav, Brazilian and Canadian firms, among others, and also with the Democratic People's Republic of Korea.

The exploratory work being done has given very promising indications. We are planning, too, to stimulate the diamond industry which, because of the greater emphasis on gold in recent times, has not been very vibrant. To this end, therefore, we have been discussing with a large Sri Lankan firm certain proposals under which that firm will establish facilities for purchasing, cutting, polishing and exporting diamonds. It would also impart the requisite skills to Guyanese nationals.

We are studying the possibility of setting up a pricing regime that would be attractive to miners and help to boost production.

MANUFACTURING

Towards the end of last year, the Guyana Manufacturing and Industrial Development Agency (GUYMIDA) was established with the specific mandate to stimulate manufacturing and industrial activities and, in particular, to help the small and medium sized manufacturers.

GUYMIDA has so far been doing an excellent job. It has organised small engineering firms and spare parts manufacturers and has been helping them to acquire raw materials to provide a wider range of spares and components. It has organised the small furniture-makers and toy-makers and this year we will see a larger number of locally produced toys than ever in the history of our country. It has been able to help manufacturers establish businesses in the areas of functional ceramic ware, decorative ceramics and food processing, among others.

It is also developing project profiles for a number of manufacturing activities based on the utilisation of ricehusk, sawdust, reeds and straws and coconut byproducts. Through its helpfulness and advice, it has been able to attract several overseas-based Guyanese to return home with money, equipment, raw materials, skills and other resources to establish manufacturing businesses in this country.

The return of Guyanese from abroad to enter the field of manufacturing is an interesting phenomenon which we should note and foster.

ENERGY

The most troublesome aspect of our economic structure is our almost total dependence upon external sources for our energy supplies. The cost of oil imports is a factor that has had the most adverse impact upon our balance of payments and our

development. In 1970 oil imports represented a mere 8 per cent of our export earnings; in 1984, it was 52 per cent of those earnings.

It is necessary, therefore, that we address with great urgency and seriousness the formulation and implementing of an energy policy. This is being done. We must therefore conserve on, and use with greatly improved efficiency, the fuel we import. We must develop alternative sources of energy which we have in abundance.

To this end, therefore, we have successfully implemented, with the help of the United Nations University and the People's Republic of China, a programme for the building and popularising of biogas digesters. We have been encouraging the production of charcoal and are developing a comprehensive plan for organising the charcoal industry.

The public sector sawmills will be utilising wood waste to generate their energy requirements and several private sector operators have already committed themselves to this conversion; indeed some have actually started to install the appropriate equipment. We are persevering with our efforts to implement a major project to harness our hydro-power potential in co-operation with the Democratic People's Republic of Korea at Eclipse Falls. We are still pursuing the Tumatumari project, and we have built a small hydro-power facility to provide electricity to Hosororo for agri-industrial purposes.

Comrades, we shall also be pressing on with efforts to exploit our hydro-carbon resources which we know to be present onshore and offshore. On the basis of seismic work which has been done offshore, we have prepared the appropriate documentation to submit to oil companies which might have an interest in exploiting those

resources.

In September, a team will be going to London to discuss our oil potential with a large number of oil companies invited to attend a seminar. In the meantime, arrangements are well advanced to sink three wells onshore in the Corentyne area in 1986 where it is believed that there are deposits of heavy oil. Work on the modernisation of our petroleum legislation is well in hand.

Comrades, the catalogue of activities we are undertaking to bolster economic viability and put us on the road to prosperity is a long one. I have given you a mere illustration of some of the projects and programmes we are undertaking.

But I think it would be useful if I made mention of one additional initiative. We have, with the assistance of an advisory group, whose services we have retained, been talking with a number of Caribbean business interests about possible joint ventures based upon the use of Guyana's resources. Those

discussions have progressed favourably and some proposals have been crystallised. It would be premature for me at this stage to mention particulars, but I would say that these proposals could be of tremendous importance in advancing the ideal of regional economic co-operation and deepening the process of regional integration. Because these projects are export oriented, they will assist us in liquidating certain external debts.

PARTY AND NATIONAL DISCIPLINE

Comrades, at a time like this when a great and revered leader passes from the scene, there is the possibility that some people may believe that they are presented with an opportunity to relax, to reduce

their efforts, to become indisciplined, to commit irregularities and to lower standards of performance and behaviour.

For us, that would be the worst possible thing that could happen. This cannot and must not be an occasion to allow the momentum of our work to slacken. On the contrary, the occasion requires and demands that we redouble our commitment and intensify our efforts.

I wish to say that the Party cannot permit any laxity or indiscipline at this time within its own ranks or in any sector of national life. We must insist on the most strenuous endeavours, not merely to maintain but to increase Party and national discipline.

Our Founder-Leader always stressed the importance of personal example. The example of increased discipline and commitment must therefore be set by us in the Party. We have to be punctual in our attendance for assignments. We have to be careful, methodical and prompt in our approach to our work. We have to be tidy in our appearance. We have to be courteous and tolerant in our relationships with our fellow-workers and other comrades, and particularly in dealing with our subordinates. It is the duty of the Party — and every Party comrade — to set the example of discipline.

The Party leadership cannot and will not deem any departure from an acceptable norm of behaviour to be a venial or pardonable sin.

And similarly, national safety, development and progress would be jeopardised if we did not at this time strengthen national discipline. It is our bounden duty, as a Party, to ensure that the development of our society proceeds on the principles of discipline and stability.

Within the public service and the public sector as a

whole, managers must ensure the highest standards of discipline and performance within their particular organisation.

The public at large must be able to see for themselves and experience the effects of improved discipline and order in the society. Perhaps the greatest immediate impact on their perception can be made by the Police Force.

The task of the Police Force must be to organise the protective arrangements for our citizens more effectively and more visibly. We must see greater evidence of police patrols on the streets and in our communities. We must see a vigorous and comprehensive effort to organise our citizens to discharge their own responsibilities for public safety.

And in particular Comrades, we must see complete respect for our traffic laws by those who use our streets. The Traffic Department of the Police Force must bestir itself and take the strongest possible action against those who turn our streets into dangerous places where life and limb are constantly in peril.

All agencies must so organise their work and discharge their duties that the public will feel an increased sense of security as they go about their lawful occasions, and be satisfied that the services to which they are entitled are delivered with the promptness, efficiency and courtesy due to every citizen.

GENERAL ELECTIONS

Comrades, under the provisions of our Constitution, we must have general elections in our country before the end of March next year. Comrades will understand that the time in hand is short. We must therefore make the best possible use of that time. We are political people: let

us have no illusions about our duty. We have been able to achieve all the things we have done for the people for the past twenty years because we have had the political authority. The immediate objective of our Party, then must be to win the next General Elections so that we may have the necessary authority to advance the work of our Founder-Leader and continue to serve the masses.

We can win, we must win, and we will win these elections.

Although we remain, as I have said, the only effectively organised political force in our country, it would be a grave mistake to become complacent. We cannot and must not be complacent. We will not win these or any other elections by sloganeering, posturing and merely relying on past achievements.

We do have an unmatched record of achievements which have brought great benefit to the people. But to win the forthcoming elections, as indeed to win any elections, we have to structure an effective campaign to mobilise the masses, sharpen their awareness of the issues at stake, keep fresh in their minds an appreciation of our achievements and motivate them to turn out in their thousands at the polls to renew our mandate to serve them.

Comrades, from now on, for Party members the work of organising to win the forthcoming elections must be an absolute priority. We must not merely win, but win overwhelmingly. We can consider this Congress as a muster of our troops. When we leave here, we will be returning to battle stations. We should all know our duty at this time — and we must do our duty.

We must consolidate and sustain complete unity and absolute discipline in our Party ranks.

We must ensure that our Party organisation is finely

tuned to manage an efficient and successful election campaign.

We must devise carefully conceived tactics and strategy and execute them with skill.

Each Party member must be clear in his mind about our tactics and strategy and make sure that everything he says and does is consistent with them.

We must be single-minded in our work.

We must be strong in will and clear in purpose.

We must know where we are going.

We must devote all of our energies to ensure the Party a massive victory at the polls.

I repeat, Comrades: for us, for the time being, the task of ensuring that the People's National Congress wins the next elections and continues to form the Government of the Co-operative Republic of Guyana must be an absolute priority.

THE PARTY

But Comrades, to win the forthcoming elections, to retain State power, to maintain our Party as the vanguard of the revolution, to enable it to consolidate and advance the work of our Founder-Leader, to be able to implement the structural changes in our society and the developmental programmes we have started, and to be able to continue our work in the interest of all the people of Guyana, the Party must remain intact, strong and undivided. Our overriding duty to the Party, now and always, is to remain united. We have to close ranks as never before. We have to confront the enemy as a solid, unbreakable phalanx.

We cannot allow the work of our late Cde Leader to be destroyed. We will not allow it to be destroyed. We have the lesson of Grenada before us as a grim and grisly reminder of the merciless vengeance that imperialism exacts on those who weaken themselves

through stupidity or indiscipline.

For thirty years we have been a strong, disciplined, united Party. That today we remain such a Party is the most glorious tribute we have paid to the memory of our late Founder-Leader.

We are not just any kind of a Party. Let us never forget that we are a socialist Party. Our Party Constitution requires us to provide ideological training for our cadres "to enable them to work in a sustained and disciplined way to build a socialist society in Guyana and to function effectively in such a society."

At this time, ideological education and motivation must be intensified, not slackened. But we must not make the mistake of mouthing empty phrases and shibboleths, divorced from the practical considerations of our society. Our educational work would be worse than useless, in fact would be disastrous, if it were not linked in highly visible ways to practical activities which bring tangible benefits to the people.

People must see our ideology in action. They must see the socialist ethic being demonstrated in field, office, factory. They must experience tangible benefits to themselves and their families flowing from the intelligent application of socialist principles to the real life situation around us. In this regard, Party members must give leadership and guidance, not in an officious and bumptious way, claiming leadership positions as of right, but by earning the respect of their fellow-workers and comrades by virtue of their work, their conduct and their personal example. Our ideology is a powerful weapon, but we must know how to use it skilfully.

Since we met at the last Congress, and indeed pursuant to the decisions of that Congress, we have made far-reaching

organisational changes in our Party. The correctness of these changes has been vindicated by the resilience, vibrancy and power which the Party has continued to demonstrate, notwithstanding the sudden death of our Founder-Leader.

But there has been one development since last Congress to which I would like to refer. Last year our beloved and respected Deputy Leader, Cde. Ptolemy Reid, gave up his Governmental position as Prime Minister and also relinquished his post as General Secretary of our Party. I think it fitting that Congress should show its appreciation of the extraordinary contribution he has made over the years to the Party and Government in those official posts he had held.

However, Cde Reid has not retired from the Party or from political life. For one thing, he has remained Deputy Leader of the Party and has only opted to serve the Party and the people of this country in different ways without being bogged down with the routine cares of office. Indeed, the work he has been doing quietly among the masses and the various communities of our country has powerfully enhanced the influence of the Party and promoted its objectives.

We salute him as a Party stalwart whose wisdom has been over the years a potent factor in strengthening and preserving our unity. Today, as we acknowledge and applaud his sterling contribution, the highest respect we can pay him is to reaffirm the unity of our Party.

Comrades, are we united? Shall we remain united now and for all time?

Comrades, our Party, the People's National Congress, is no ordinary Party. Ours is the Party founded, nurtured, developed, led and inspired for three decades by Cde Linden Forbes Sampson Burnham.

Ours is the Party that under his guidance constituted the Government of the Co-operative Republic of Guyana for the past two decades.

Ours is the Party that brought peace to this country and maintained it over the past twenty years.

Ours is the Party that won independence for our people, restored their dignity, enshrined the principle and practice of equality in our society and made us masters in our own house.

Ours is the Party with the historic mission to continue the work of our Founder-Leader and make a reality of the vision he had for us. He dedicated his life to the creation of a just society in which all citizens could act out their lives in an environment of substantial freedom, happiness and prosperity.

Comrades, will we be faithful to the ideals of our Founder-Leader?

Will we work in a disciplined, methodical and strenuous way to make a reality of his vision?

Will we show that we have the moral fibre, the toughness, the intelligence, the capacity, the courage, to continue along his path?

Comrades, I know we will; for during the many years I have laboured shoulder to shoulder with you in the cause of our people and our country, I have gained full knowledge and experience of your faithfulness, your dedication, your worth.

We have identified the task before us in the years ahead — to consolidate and advance the work so brilliantly begun by our Founder-Leader. Can we do it? Comrades, I know that I speak for every single member of our Party, and for our Party collectively, when I say: WE CAN, WE MUST, WE WILL.

May the life, the work and the memory of our Founder-Leader, Comrade Linden Forbes Sampson Burnham, never cease to guide and inspire this great Party of ours.

Eternal Glory to him.

Onward to Socialism!

Long live the glorious memory and work of our Founder-Leader, Linden Forbes Sampson Burnham!

Long live the working people of Guyana!

Long live the People's National Congress!

Long live the Co-operative Republic of Guyana!

Georgetown GUYANA CHRONICLE in English 21 Aug 85 p 3

[Article by Colin King]

[Text]

Thirty commissions will today begin in-depth discussions of the two major presentations of the Sixth Biennial Congress of the PNC. The discussions will be held in workshop sessions at Queen's College and the Government Technical Institute.

The sessions will begin at 09:00 hrs and will give exhaustive consideration to the two-and-a-half-hour keynote address delivered by Party Leader, President Desmond Hoyte Monday and the Party's General Secretary's two-hour report by Cde. Ranji Chandisingh, delivered yesterday morning.

Commissions comprising delegates from throughout the country and the Party's groups overseas are expected to make recommendations based on the two addresses.

The Biennial Congress is the supreme forum of the 30-year-old People's National Congress.

Among the crucial issues raised by President Desmond Hoyte in his keynote presentation Monday, and which will likely be foremost in the minds of delegates at the workshop sessions, are the need for continued action to guarantee goods and services of a high quality to the masses and involvement of the trade unions, private sector and other interest groups in nation-building.

Party and national discipline, continued efforts in the productive sectors, maintenance of independent and progressive foreign relations, and the importance of national security consciousness also featured in the Party Leader's ad-

dress.

In his two-hour report yesterday, Cde. Ranji Chandisingh suggested that commissions considering his presentation should give attention to the possible strengthening of the functioning of Party groups.

Efforts to establish vibrant work-place groups, and to reconcile increasing costs of the "New Nation", party organ, with growing demand for the newspaper, were other areas of Party activity to which commissions could direct attention, Cde. Chandisingh said.

The reports of the commissions, and other decisions of the Congress will feature in an end of Congress report, serving as a guide for action in relevant areas.

Popular Support for Government

Georgetown GUYANA CHRONICLE in English 21 Aug 85 pp 1, 5

[Article by Trevor Pearson]

[Text]

GUYANA'S military and para-military organisations, farmers, the Trades Union Movement, and religious, women, youth and children's organisations on Sunday reaffirmed their support for the People's National Congress at the opening of its Sixth Biennial

Congress.

The organisations expressed sorrow at the death of the late President and Founder-Leader of the Party, Linden Forbes Sampson Burnham, and offered sincere condolences to the sorrowing widow, Cde. Viola Burnham and members of her family.

The speakers also noted

the work of the late President and Founder-Leader, and pledged their unstinted commitment and unswerving loyalty to President and Party Leader, Cde. Hugh Desmond Hoyte.

In their message, the Joint Services said that they shared with the Party the grievous and irreparable loss of the beloved Founder-

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Leader, and pledged to work "shoulder to shoulder" with the civilians "to defend and develop the country".

"He would not have wished us to sit and mourn, but rather to face up to the reality and take up the challenge of the road to development which he has set us," they added.

The farmers noted that the "PNC Government, led by the late Leader, Cde. Burnham, has brought dignity and respect to farmers throughout the length and breadth of this great country of ours".

"Never before have the farmers been so respected as today", their message said. "It was a great man named Linden Forbes Sampson Burnham who lighted the torch which he gave to the whole farming family of Guyana

"His dream that we will one day be the breadbasket of the Caribbean, will one day, not too far away, (become) a reality", the message said.

Guyanese women, represented by the Conference on the Affairs and Status of Women in Guyana (CASWIG) pledged that "we will labour accordingly" to ensure that development, peace and equality continue.

"Times and attitudes have changed and are changing and women's status in Guyana is now more secure than before", the CASWIG

message said. The women noted that this was due to the late President's idea that all human and material resources must be organised, galvanised and mobilised for progress and genuine all-round development were to be achieved.

The religious organisations observed that although they are incapable of assessing the great loss felt by the Party at the death of its Founder-Leader, they know that religion in Guyana, regardless of kind or creed, is bereft of its greatest national benefactor.

And the young people, noting that it was through the instrumentality of the late Founder-Leader that the youths were able to recognise their self-worth, said, "there is a lot for which the youth of Guyana have to praise" him.

"The youths of Guyana recommit themselves to socialist goals, for we are cognisant of the fact that only socialism, as a socio-political and economic system, can solve the problems of the Guyanese people".

The children of Guyana, through their representative, the Young Developers, said that a positive approach to development is a must, and noted that they will succeed if they continue along the path set by the Party.

"Indeed the present world conditions tell us that we must continue along the

path of national self-reliance. In so doing, Guyana will grow from strength to strength under the leadership of the People's National Congress", their message read.

The Trade Union Movement's message noted that "the late Cde. Leader, in his wisdom, had not only led the political movement but also the Trade Union Movement under the banner of the People's National Congress".

The message also noted that the overwhelming majority of the members of the trade unions were also members or active supporters of the Party, and the trade unions themselves were directly affiliated to, supportive of and sympathetic with the policies of the Party, as they subscribe to certain objectives, goals and thrusts of the Party.

This relationship, the message noted, gave the trade unions the opportunity to participate directly in major policy decisions and, at the same time, draw on its larger and more extensive resources.

"The Trade Union Movement stands unequivocally committed to the principles of our socialist revolution, and we take this opportunity once again to recommit our adherence to these principles", the message read.

'Outreach' Plans

Georgetown GUYANA CHRONICLE in English 21 Aug 85 pp 1, 4

[Article by Colin King and Trevor Pearson]

[Text]

THE People's National Congress must deepen and improve contacts with the masses, General Secretary Ranji Chandisingh yesterday told the Party's Sixth Biennial Congress.

Cde. Chandisingh stressed that even with the success

of increased membership levels in the past two years, the future demands "better, more efficient and systematic approaches in our Party work".

"The vanguard character of our Party demands that this work among the people

be continued and extended", Cde. Chandisingh said in his two-hour General Secretary's address, which reviewed Party activities of the past two years and suggested guidelines for the future.

Cde. Chandisingh said that

while the Party feels "deeply" the loss of its Founder-Leader, President Forbes Burnham, as a great revolutionary, he did not die without leaving his stamp.

It is in this circumstance that the Party could proceed in a "spirit of unity, strength and determination to fulfil the behest" of the late Founder-Leader, under the new leader, President Desmond Hoyte, he said.

He said that over the last two years, the Party has been able to improve its membership, quantitatively and qualitatively.

Its arms have also become more enterprising and active and there has been rapid development of its ties with fraternal parties and national liberation movements with aims and objectives similar to those of the Party, he added.

"Truly we have come a long way amidst all the difficulties which have been experienced by the Party over the last few years", Cde. Chandisingh said.

He noted that it was Cde. Burnham who instilled a spirit of independence in Guyanese, taught them to be firm and to resist attempts by the enemies from within and without.

Cde. Chandisingh said that the greatest tribute which Party members could pay to the late Founder-Leader was to "resolutely pursue the spirit of unity, strength and determination" to fulfil the tasks which he had set out for them.

Among the thrusts proposed for the Party in the programme-setting address by the General-Secretary, are intensified "Outreach" to citizens and mass organisations, more ideological education, vibrant international relations, and greater efficiency, generally, in Party operations.

To further strengthen the Outreach programme, Cde. Chandisingh told Congress, the Party's Central Executive Committee had decided that following the current Congress senior officials assigned responsibility for particular areas of the country will spend at least one day each week out in the field.

The Outreach exercise is designed to bring leaders in face to face contact with citizens.

In the area of training, Cde. Chandisingh noted that ideological programmes previously designed by the

Party are still being implemented and a larger number of Party cadres and public officers will undergo training in the ensuing period to enable their better functioning in a socialist context.

Quoting the late Founder-Leader of the Party Cde. Chandisingh reminded the delegates and observers that "we cannot build socialism without socialists in the vanguard".

Another aspect of the education programme is identifiable in proposals put forward by the General Secretary which would require cinemas operated by the Party to exhibit films, still of an entertaining nature, but more in keeping with the national philosophy.

Cde. Chandisingh stressed that the development of cadres is a "very long, painstaking" process and the Party needs to be more "thoughtful and purposeful" in its cadre policy. Specialisation should be an aim, he said.

Cde. Chandisingh was also emphatic about the need for the fostering of efficient and effective management of the Party's economic activities.

(GNA)

Delay in Report on Keynote

Georgetown GUYANA CHRONICLE in English 24 Aug 85 pp 1, 3

[Article by Colin King]

[Text]

THE Sixth Biennial Congress of the PNC enters its penultimate day today, with reports on the two major Congress presentations down on the agenda for presentation and discussion.

The report on Party Leader Cde Desmond Hoyte's keynote address to the Congress was scheduled for yesterday afternoon, but was postponed to today,

when a report on the General Secretary, Cde Ranji Chandisingh's presentation, is also scheduled.

After the announcement of the postponement by sessional chairman Calvin Vandenburg, Congress continued consideration of questions and motions, which had been conducted for most of the morning session.

With regard to the General-Secretary's report,

delegates will be discussing proposals to strengthen the Party, in keeping with guidelines in the address, made last Tuesday. This is one of 17 aspects of the 47-page report, which were studied in depth by commissions of Congress delegates in workshop sessions Wednesday.

The workshop reports of the commissions concentrate on recommendations for action.

The General-Secretary's report is a usual feature of Biennial Congresses as the Party, reviewing the activities of the organisation in the previous two years and setting policy guidelines and devising plans for the future.

One of the basic tasks set the delegates in their commission workshop on the General-Secretary's report last Wednesday was identification of Party activities since the last Biennial which were unsatisfactory and what

corrective measures can be taken.

Commissions were also required to identify measures to enhance the prestige and high moral standing of the Party in keeping with its vanguard role.

Steps to improve public information on vital matters, and particularly to improve the "New Nation", official Party organ, are other aspects of the General-Secretary's report on which recommendations are being made.

Message From Cuban Party

Georgetown GUYANA CHRONICLE in English 24 Aug 85 p 4

[Text]

IT is my sad duty, first of all, to convey to you in the name of the Cuban people and the Communist Party of Cuba our deepest sorrow over the recent demise of a man who was a friend of our Party and of our people and a comrade in the struggle for the well-being of the countries of the Third World.

President Burnham was, without a doubt, a passionate fighter for Caribbean integration, the sovereignty and independence of our underdeveloped countries of Africa, Asia, Latin America and the Caribbean, and at the same time a determined defender of the territorial integrity of all countries.

Forbes Burnham struggled without respite against apartheid, zionism, racism, yankee intervention in Grenada and the imperialist aggressions against Nicaragua. The defense of the most noble and just causes is linked to his name and therefore it will remain always in the hearts of the Cubans.

Comrades:
It should be recalled that President Burnham was one

of the main sponsors of a collective establishment of diplomatic relations among Cuba, Guyana, Trinidad and Tobago, Barbados and Jamaica and that together with deceased Prime Minister Eric Williams, and former Prime Minister Michael Manley, he played a front-line role.

Your Congress is taking place at a dramatic time for Latin America and the Caribbean: confronting powerful United States imperialism which is attempting once again and with renewed fury to hold our peoples back from the course of economic and social progress and the true conquest of their independence and freedom, both in Central America as well as in the economic policy it practices throughout the region.

This Congress is being held after the meeting on the foreign debt of Latin America and the Caribbean held in Havana, in which more than 1,300 outstanding Latin American and Caribbean personalities participated and which served to make evident the unpayability of the foreign

debt of the region, the urgent need to restructure the entire existing international economic order and the need to achieve the economic integration of the Caribbean and Latin American countries. Comrade Fidel has pointed out that the crisis generated in the developed capitalist economies over the last few years and whose effects we are suffering, make it more difficult for the Latin American and Caribbean countries to face the payment of their debts which have already surpassed \$360 billion.

The First Secretary of our Party has said that even in the improbable event that the economic situation of the capitalist world were to improve, the basic problems of Latin America and the Caribbean would remain unsolved as long as unequal trade continues to exist, imposing ruinous prices on our basic products while constantly increasing the prices of the industrial goods we import.

As long as the anarchy of a monetary economy in which an overvalued dollar prevails continues to exist,

and the problems of protectionism — which far from being eliminated is becoming ever worse ... are not solved, and high interests prevail, not only will Latin America and the Caribbean not be able to develop, but, as has occurred in the last few years, they will undergo a retrogression.

That is why our Party considers that the struggle for a New International Economic Order, Latin American and Caribbean integration and the non-payment of the foreign debt is one: an historic battle for the independence, democracy, freedom and right to life of all our peoples from the Rio Grande to the Patagonia.

Comrades:

In Central America the United States has developed a military policy which creates conditions for a direct aggression against Nicaragua whenever they consider it convenient with the objective of overthrowing the popular and revolutionary process existing in that country and from becoming consolidated as an example for the peoples of our region. In El Salvador they continue offering military support to the army in their determination to eliminate the strength of the powerful guerrilla movement of the Farabundo Martí National Liberation Front — that together with the Revolutionary Democratic Front represent the unquestionable vanguard of the revolutionary forces in that country.

The United States which approved funds for the brazen and dirty war it

is waging against the Nicaraguan people, which mined the ports, which decreed an — economic blockade against that country, which threatens to adopt severe measures if anything happens to any of its "defenseless" marines, which adopted an — amendment that allows troops to be sent to Nicaragua without Congress' approval, which intends to act as lord of this hemisphere and as if it can do whatever it pleases failing to recognise people's will to maintain their sovereignty and the new situation created by the democratic changes taking place in South America where the gunboat is rejected.

The open war against Nicaragua and the negative to accept a solution of the conflicts through peaceful and negotiated ways, come into contradiction with the actions undertaken by Latin American governments and with the attitude maintained by the Sandinista government. A military action by the United States, would not only mean a determined and strong confrontation of the Nicaraguan people, but a — regional outburst of an unpredictable magnitude.

Our staunchest and most determined solidarity goes to heroic Nicaragua and the fighters for freedom in El Salvador and Guatemala — also targets of a Yankee aggression in this zone of our region; and our suggestion to the imperialist — that they think about their criminal action.

If Vietnam jolted the United States like never before, a Central American adventure with U.S. troops

would represent many more Vietnams all at once.
Comrades:

Our Communist Party is about to celebrate its 3rd Congress in February of next year and we have been preparing for this transcendental event with vigor and tenacity.

The Cuban Revolution's advances in all spheres are palpable and we shall set ourselves higher goals for the coming quinquennium. Our people continue to develop production without stinting a second in strengthening defenses.

The First Secretary of our Party, Commander in Chief Fidel Castro has said that the war of all the people, which we began to prepare some years ago to repel any kind of imperialist aggression, has made us so strong that we are now invincible.

Comrades:

Our Party wishes you success in your deliberations during the Congress and we are convinced that the People's National Congress will keep high and with firmness the banners that its unforgettable Leader Forbes Burnham hoisted throughout all these years and that more united than ever it will follow the road he outlined.

Our Party and Government will continue, as up to now to strengthen the relations of friendship and co-operation we have maintained with the Government and people of Guyana.

**LONG LIVE FRIENDSHIPS AND SOLIDARITY BETWEEN THE PEOPLES OF GUYANA AND CUBA!
LONG LIVE FRIENDSHIP BETWEEN OUR PARTIES.**

St Lucia Labour Party's Greetings

Georgetown GUYANA CHRONICLE in English 24 Aug 85 p 5

[Text]

SAINT Lucia Labour Party take this opportunity to express our highest wishes for a successful Sixth Biennial Congress of the People's National Congress of Guyana.

As you meet we share with you the loss of your Party's Founder and Leader whose respect went beyond Guyana's boundaries and whose contribution to the world struggle for betterment for Caribbean and Third World people was felt beyond your shores. As you meet over the next week.

You will be faced with many decisions which also have far-reaching significance to your people and the people of your region. We have absolutely no doubt that you will take and arrive at the decisions you see as best for your Party and your country. The death of your President came at precisely a time when relations between our

two Parties were returning to the stage that is necessary for the consolidation and entrenchment of solidarity and friendship between our two Parties and people. We hope and wish for a continuation and further intensification of our fraternal relations, despite this great loss to both Parties.

As you meet today and in the days ahead, you will be called upon to chart the future of your Party, and its continuing role in the Co-operative Republic of Guyana, we wish you every success. Our Party through its Executive Committee and Political Leader and through our representative at your meeting expresses its best wishes to the PNC, its membership and leadership and through you to the People of Guyana.

Long live your Sixth Biennial Congress fraternally.

Hoyte at Closing Session

Georgetown GUYANA CHRONICLE in English 26 Aug 85 pp 1, 3, 4.

[Article by Colin King]

[Text]

THE ruling People's National Congress (PNC) last evening ended a successful Congress with President Desmond Hoyte underscoring the need for safeguarding national dignity and self-respect.

In a one and a half hour address at a mammoth rally at the Square of the Revolution, Cde Hoyte also informed the nation of a comprehensive package of proposals from Congress which will inform the work of the PNC and the Government during the next Biennium.

"Congress has left us clear decisions to guide the party over the next Biennium," Cde Hoyte told the rally.

The Sixth Biennial Congress, he noted, reaffirmed the domestic policy based on self-reliance, and the foreign policy of non-alignment, and anti-colonialism and anti-imperialism.

He said the eight-day Congress, also decided that: ☆ Party Founder-Leader and late President Forbes Burnham be named a 'National Hero' of Guyana;

☆ the pursuit of Socialist construction be accelerated and work with the masses be deepened.

☆ no denationalisation be undertaken;

☆ the State work with the private sector, and all persons of goodwill in the task of nation-building;

☆ waste in the economy be eliminated;

☆ the country honours its debt;

☆ the work of the Police be intensified to protect citizens, with the death penalty being reactivated to deal with persons convicted

of brutal murders; and that ☆ high quality performance be required of corporations whose operations should be subject to public scrutiny. Congress, he said also endorsed the Party's decision to engage in dialogue with the minority People's Progressive Party on possible areas of co-operation.

The recurring theme of the Congress, and his address to the nation, was "the defence and enlargement of our dignity as individual citizens and, collectively, as a nation". This he noted, is appropriate, for, as the late President Forbes Burnham always taught, material things are nothing if they do not underpin "freedom, independence and our self-respect and self-esteem".

It was the 58-year-old President's first major public address since assuming office as President, and that of Leader of the PNC. It was broadcast live to the nation.

The immediate task is to consolidate and advance the work of the late President Forbes Burnham to ensure the Guyanese society enjoys continuity and progress, he said.

Guyana must continue on an independent path, informed by its own historical context and the objective reality of the day, he added.

And the nation must steadfastly continue along the road to Socialism. "There must be no turning back," the President stated, adding that the Party has decided there should in fact, be a deepening of the process of socialists construction.

Congress, the highest decision-making forum of the Party also decided that practical work must be done among citizens to disseminate the socialist ideology and it stressed that Socialism is not about poverty, but about the creation of wealth and its equitable distribution. Cde Hoyte reported.

Consequently, the Congress stressed the need for special attention to the volume and efficiency of local production. Cde Hoyte told the rally.

Workers must be more involved in management and waste must be eliminated from the economy, with appropriate linkages being made in local production.

The President also reported the decision of the Congress that within the context of the tri-sectoral economy adopted as suitable to Guyana's needs, the State should encourage and work with the private sector towards the objective of increasing the volume and efficiency of production.

More generally, the Congress directed that the Party work along with all cultural, private business, religious and nationalistic political groups willing and able to contribute to the development of the country.

And noting that Congress endorsed the initiative of the PNC to seek to engage in constructive dialogue with the PPP to identify areas of co-operation for the further development and strengthening of the country, Cde Hoyte stressed it must be understood "that we will brook no interference from outside."

In this regard he voiced his personal disappointment that the first reaction by the Leader of the Minority on the death of the late Cde Forbes Burnham was to call in the foreign diplomats based in Guyana to have discussions with him.

Throughout his presentation, Cde Hoyte referred to the effect of proposed measures in relation to satisfying the underlying need for the preservation of dignity and self respect.

And he referred, with reverence, to the work and memory of the late Founder-Leader of the Party and President, Forbes Burnham, whose principles, founded on the dignity of the

Guyanese nation, made him the subject of attack even after his death.

"He taught us to respect ourselves, he gave us dignity...he made us feel and know that we were human beings," Cde Hoyte stated, adding emphatically, "he is the greatest citizen Guyana has ever produced."

And noting that a motion approved by Congress recommended to Government that the late President Burnham be named a National Hero of Guyana, Cde Hoyte stressed the recognition of Cde Burnham's work, needs no motion since the late Leader is a national hero by virtue of the work he has done among Guyanese.

He saw the success of the Congress as a tribute to the late Cde Burnham. The strength and maturity demonstrated in Congress is not accidental, he noted, but is a result of the work by the late Founder-Leader.

The greatest contribution of Cde Burnham to the revolutionary process, the President stated, is that he "founded, guided, led, and inspired the People's National Congress over the past 30 years."

He later pointed to the several attacks on Cde Burnham for his high principles and enlightened policies of asserting and maintaining the dignity of Guyanese and the nation.

Dignity and respect are "crucial to everything we are going to do in the future," he said, and "we are going to continue to be attacked as aberrants."

Guyanese, he advised, will need "courage and understanding to ignore these things and press on notwithstanding." Guyanese, he said, are aware of the progress under the late President's policies. "We know that come what may we shall continue along his path until final victory," Cde Hoyte said. (GNA)

Georgetown GUYANA CHRONICLE in English 26 Aug 85 p 8

[Article by Colin King]

[Text]

THE Sixth Biennial Congress of the PNC ended business sessions at Sophia yesterday with the leadership and rank and file expressing determination to carry on the socialist transformation started by late President Forbes Burnham.

The direction of this Congress, Party Leader Desmond Hoyte said to resounding applause, is that "we accelerate the pace and deepen the process" of socialist construction.

Cde. Hoyte, in his summation and charge to Congress, declared: "I know that together we will succeed." President Hoyte, who was unanimously elected Party Leader for the next Biennium at Saturday's session of Congress, said he accepted the position "with humility and a sense of pride", and pledged "only to do my best."

The Party Leader and President said it was "a most successful Congress from every point of view", and "one of the best-

organised and most fruitful" ever.

The thousands of Congress delegates and observers demonstrated maturity, strength, and high political consciousness, their debate and expression were of extremely high quality, Cde. Hoyte observed.

The Party has emerged from the Congress stronger, more united, of a greater consciousness, "and better qualified to serve the masses of Guyana", he stated to applause from the Congress gathering.

He asserted that this was perhaps the most powerful tribute the Party has paid to the work and memory of late Founder-Leader, Cde. Forbes Burnham.

Cde. Hoyte praised the "high quality" of the consolidated report of Congress Commissions, presented Saturday, which contained decisions of the Congress. "It shall be the duty of the Government to take note of the decisions of Congress and implement

those decisions faithfully", the Party Leader and President noted.

He at the same time stressed the need for leadership by example from Party members, in every sphere of life.

It is the task of Party members to fully and efficiently implement Congress decisions in the groups and communities where they are attached, and to involve all citizens in working for development of the country, the Leader explained.

There will be difficulties, he said, as "the path of fundamental change is never easy". Change, he said, destroys niches of personal interest, vested interests, and sometimes even the beneficiaries will be "fearful and lukewarm."

It was however, the duty of the Party to encourage the people, raise levels of consciousness, and generally give leadership to move the nation along the path of socialist construction.

Public Rally Speeches

Georgetown GUYANA CHRONICLE in English 26 Aug 85 pp 1, 3

[Article by Trevor Pearson]

[Text]

CDE. Desmond Hoyte last night made his first major public presentation to the Nation in the midst of what turned out to be a show of massive support for him as President of the Republic and Leader of the People's National Congress.

In his address delivered from a specially-built platform at the head of Brickdam and facing the 1763 Monument at the Square of the Revolution, Cde Hoyte reported on the outcome of the Party's Sixth Biennial Congress, the recurring theme of which,

he said, was "The defence and enlargement of our dignity as individual citizens and, collectively, as a nation."

The traditional rally marked the culmination of the Party's one-week Congress and gave the Party Leader the opportunity

to inform the Nation about decisions taken by the Congress, the Party's highest decision-making forum.

President Hoyte noted that the task of Guyanese would be to consolidate and advance the work of the Party's Founder-Leader Linden Forbes Sampson Burnham so that there will be continued development in the country.

He noted that the Party has continued to attract new members and emphasised that this fact is reflective of the citizens' appreciation and acceptance of the correctness of the Party's programmes and policies.

Earlier, thousands of delegates and observers to the Congress, workers, farmers, members of church and cultural organisations and of the Joint Services, led by members of the Party's Central Executive Committee, marched from two points, to the Square. One group moved off from the Sophia Convention Centre where the Congress was held while the second moved off from Independence Park.

Before the arrival of the marchers, thousands had gathered at the Square, which was gaily decorated with colourful flags and bunting, and were entertained by musical bands and artistes.

The task of introducing the President fell to Vice-President and First Deputy Prime Minister Mohamed Shahabuddeen who referred to Cde Hoyte as "a man of courage, a man of firmness [and] indeed, a Guyanese cast in the heroic mould" fully capable of leading Guyana as Leader of the People's National Congress and President of the Republic.

Cde Shahabuddeen told the large gathering that Cde Hoyte is a man endowed with vast political and governmental experience and skill.

"For he is indeed a comrade of considerable mental energy, deep and sound, of unproclaimed learning tempered by great practical wisdom and maturity of judgement, selfless sense of public service and unshakeable commitment to the cause of the Party and the Nation."

The new President he noted, has had a long and close involvement with the Guyanese people at every level "acquiring in the process an accurate appreciation of their concerns, their thinking, their interests and their affairs."

"He has indeed both a studied awareness and an instinctive grasp of the character and nature of our society, of the historical forces out of which it has evolved, of the social, political, cultural and economic milieu in which it subsists and of the enduring human values which at once distinguish us from and link us to the wider regional and world communities," Cde Shahabuddeen told the rally.

And, noting that Cde Hoyte has come into office in the footsteps of the late Cde Forbes Burnham, "an altogether extraordinary man," the Vice-President stressed that "we wrong both of them and we wrong ourselves if we seek to measure one by the other."

He added: "It was the historical mission of our late Leader to blaze new trails and to show us the promised land. It is the task of our new Leader to continue the journey from where it has been left off."

Each of us has his own style and his own manner. So with Cde Hoyte. The really important thing is that he has the ability and the capacity, the commitment and the loyalty, the breadth of vision and the grandeur of mind to guarantee that this Nation will move forward as one proudly, confidently, smoothly and efficiently in the direction

pointed out for us by our late Leader.

"The ship of State is in good hands."

In his address to the rally and nation, Cde Hoyte spent one and a half hours informing the Nation about the decisions of Congress and detailing policies the Party and Government will pursue.

At the end of it all, the mammoth gathering gave him a prolonged standing ovation. And as the sky over the Garden City was set alight in the course of a colourful display of fireworks, Party supporters and members erupted into chants of "With Desmond, We will win" and "Light up the Night" — for Desmond Hoyte, to the accompaniment of steelband music.

And, as Cde Hoyte left the Square there was a display of popular support for the man who now takes the People's National Congress into national elections scheduled to be held by March, next year.

New Central Executive

JPRS-LAM-85-091
30 October 1985

Georgetown GUYANA CHRONICLE in English 26 Aug 85 p 8

[Article by Colin King]

[Text]

THE Central Executive of the PNC for the next Biennium, including two co-opted members, Cde. Ptolemy A. Reid, and Cde. Ranji Chandisingh, who were appointed Deputy Leader and General Secretary respectively by the Party Leader, was installed at Congress yesterday morning.

President Desmond Hoyte's election as Party Leader was announced Saturday evening before the Central Executive Committee elections. Cde Hoyte was the only nominee for the position in nominations which closed August 22.

The 15 successful candidates for the Central Executive Committee were Hamilton Green, Mohamed Shehabuddeen, Viola Burnham, Haslyn Parris, Malcolm Parris, Gowkarran Sharma, Hyacinth Godette, Urmie Johnson, Richard Van West-Charles, Robert Corbin, Seeram Prashad, Robert Williams, James Bovell-Drakes, Sallahuddin and Harun Rashid.

Cde Haslyn Parris is a new face on the Central Executive of the Party while Cde Bovell-Drakes was previously an appointed member.

The new Central Executive promptly co-opted Cde. Ptolemy Reid and Cde Ranji Chandisingh to the

Committee, as is provided for under the Party constitution and Party Leader Desmond Hoyte appointed them to their previous positions of Deputy Leader and General Secretary respectively.

Cde. Reid and Cde Chandisingh were welcomed on stage by handshakes and embraces from Party Leader Hoyte, as they took their places with the Executive Committee.

The two top Party officials were not among candidates for the 15 elected positions on the Central Executive.

A highpoint of the installation ceremony was reached when Ronald Welshman, a member of the Young Developers, made his way to the rostrum to perform the installation.

CSO: 3298/023

GUYANA

WPA STATEMENT HITS STATE TRAPPINGS USED AT PNC CONGRESS

Georgetown OPEN WORD in English 26 Aug 85 pp 1, 4

[Text]

WPA Statement, 22 August 1985:

On the surface, Mr Hoyte's eloquent presentation at the PNC's 6th Biennial Congress is well argued. This impression gives way to alarm when it transpires that his speech is really a further and very bold attempt to institutionalise the ruling party as the Nation, and as the sole authentic expression of the Guyanese people. After some study, the contradictions become very glaring and disturbing.

The new PNC Leader's call for discipline at party level and at national level loses all validity when it is noted that at the very Congress members of the security forces, called the Joint Services, have made an official appearance in uniform to greet a partisan assembly, namely the Congress of the PNC, merely one of the several political parties in Guyana. This recalls the written order given by the GDF Command to soldiers in 1981 to attend in civilian clothes a PNC parade. For clarification, let it be stated that full use of the security forces at a state funeral is one thing; the use of the forces and their service orchestras at the Congress of the PNC is quite another thing. It is a subtle identification of the PNC with the state and is in fact a bold subver-

sion of important state institutions.

A call for discipline from the new political leader of the ruling party cannot be made in the abstract. It cannot be separated from the need for accountability to the nation and a guarantee against abuse of his authority.

The ruling party is again indicating its interest in treating the right of participation as a gift at its leader's disposal, to be handed out according to his own preferences. This makes the invitation to the PPP to cooperate sound condescending. The invitation to cooperate with the ruling party as the only way to serve the people, even while pledging to hold elections by the due date, carries with it the ring of intolerance.

The PNC leader makes no distinction between persons allegedly concerned with mercenary activities and legitimate political movements struggling at home for the right of the people to elect a government of their choice and for immediate relief for the suffering masses of the working people. Both, for him, are destabilisers. He declares open the PNC election campaign and threatens

the multi-party process almost in the same breath. His threat to visit opponents with a 'terrible swift sword' is aimed at unarmed Guyanese and not at imperialism. It is a matter of interest that he did not seize the opportunity to rule out violence and assassination, both weapons of his late leader.

The new Leader was not original in claiming that Guyana's electoral procedures are purely an internal affair. In this he has the sympathy of those who rule Chile and South Africa. They are similarly dismissive of foreign comment and both claim that their dictatorships are inspired representatives of the national interest. Guyana, however, is a signatory to the International Covenant of Civil and Political Rights, which guarantees and requires citizens of Guyana to defend human rights pledged by the government of Guyana. There is nothing domestic about these international undertakings.

If the new PNC leader has an interest in satisfying Guyanese outside the PNC about how the elections are run, while perhaps resenting the criticism of non-Guyanese, he should convene an all-party conference to discuss procedures and safeguards for the next elections.

The WPA will gladly attend such a conference, make its recommendations and listen to those of others. If the new leader cannot take this step then his railing at foreign interference is merely a device for avoiding the issue and rushing Guyanese into another fraudulent election, this time under his august guidance.

At the invitation of the Executive Committee of the Guyana Trades Union Congress, a 9-person delegation of the WPA met with the TUC executive on Wednesday, August 28 at the TUC's Conference Room. The meeting was

well attended by members of the TUC executive and chaired by Bro Frank Andrews, Acting President of the TUC.

Brother Rupert Roopnaraine, leader of the WPA delegation, outlined the party's approach to the need for free and fair elections, trade union independence, non-violence as one guarantee of sovereignty, a solution to the wages impasse, the misuse of the security forces in the interests of the ruling party and other matters. Brother Roopnaraine also welcomed the new President's instructions to the Police to bring an end to the violent housebreaking crimes. In closing his presentation, the WPA spokesperson asked the TUC to consider taking steps to implement its previous resolutions on free and fair elections and the re-importation of essential foods. He also requested the TUC to consider the report of the signature campaign for food and jobs.

This was followed by a lively period of questions and answers. Questions were asked about the political work of the WPA, the issue of socialism, the third world debt, private enterprise, WPA's commitment to non-violence, full employment, organisational structure, collective leadership, national government, constructive dialogue between the PPP and the PNC, freedom of association, the WPA's readiness to form a government and other matters.

WPA said that it had no opposition to constructive dialogue between the two biggest parties in parliament, but did not see that it would serve any useful purpose since a concordat which leaves the people out, would fail. There must be a basic right of the people to intervene through free and fair elections as a minimum precondition for unity at party level.

The meeting was held in a pleasant and businesslike atmosphere. At the end there were expressions of

appreciation on both sides. A member of the TUC executive, with the consent of his colleagues, asked for a continuation of the discussion with the WPA, if necessary. The WPA agreed.

The members of the WPA delegation led by Dr Roopnaraine were - Messrs Narine, Dalrymple, Kwayana, Hussein Rajkumar, Humphrey, Blair, Mohamed.

CSO: 3298/024

GUYANA

NEWS OF UNION DEVELOPMENTS; HOYTE NAMED TO HEAD GLU

Hoyte at GLU Helm

Georgetown GUYANA CHRONICLE in English 3 Sep 85 p 1

[Text]

PRESIDENT Desmond Hoyte S.C. has been unanimously appointed President-General of the Guyana Labour Union (GLU) to fill the interim vacancy created by the death of the previous President-General, Cde. L.F.S. Burnham.

The appointment made at a meeting of the National Executive Council of the GLU last Friday will continue until October, 1985 when elections to the post are due to be held in the ordinary way. It is understood that Cde. Hoyte will be available for election.

The new President-General joined the Guyana Labour Union in 1977. However, his association with the union dates back to 1964 when, in the absence of the late President-General, he led the union's

delegation during negotiations with the Shipping Association of Georgetown for increased wages and improved conditions of employment for waterfront workers.

In spite of his active legal and political career, Comrade Hoyte always showed a keen interest in, as well as concern for, the activities of the union. He served as legal adviser to the union and on several occasions gave lectures to boost the union's workers' education programme.

At last Friday's meeting, the executive expressed confidence in the new President-General's ability to continue and foster the outstanding work done by the former President-General. (GNA)

TUC Bauxite Study

Georgetown GUYANA CHRONICLE in English 5 Sep 85 p 1

[Text]

A Guyana Trades Union Congress (TUC) delegation will tomorrow tour the Linden Operations of the Guyana Mining Enterprise Ltd (Guymine) and hold discussions with workers and the company's management.

The TUC team, to be headed by General-

Secretary Joseph Pollydore, will make an on-the-spot assessment of the industrial relations climate in the mining town.

Cde Pollydore explained yesterday that the decision to visit the mining town was taken several months ago but circumstances had prevented the TUC from visiting earlier.

He said that for several years the bauxite industry had been a source of much concern to the TUC which has relied largely upon the two unions operating within the industry — the Guyana Bauxite Supervisors' Union and the Guyana Mine Workers' Union — for reports on what was taking place there.

The TUC, he added, now feels that it would go out there and make an on-the-spot assessment of the situation. It is confident it could make a positive contribution towards improving the industrial relations climate within the industry.

Tomorrow's visit to the country's premier mining

town is seen as an act supplementing the efforts of the Manpower Ministry to promote closer working relations between the two unions and the Guymine management. These relations have been somewhat strained over the last two years.

Meanwhile, Cde Pollydore has indicated that the TUC hopes to visit and to meet with management and other workers at Guymine's other bauxite mining locations.

The TUC, Cde Pollydore added, also hopes to make similar visits to other industries for the TUC sees its role as not only making representation on workers' behalf but reviewing problems and offering solutions. (GNA).

TUC-Government Talks on Food

Port-of-Spain TRINIDAD GUARDIAN in English 17 Sep 85 p 5

[Text]

GEORGETOWN, Mon., (Can): A DELEGATION from the Guyana Trades Union Congress (TUC), headed by its general secretary Joseph Pollydore, has held a meeting with Trade and Consumer Protection Minister, Malcolm Corrica on the shortage of staple food items in some areas of the country.

The TUC delegation included representatives of the bauxite unions, and the transport and sugar unions.

Three of the bauxite unions in Guyana have complained that rice is difficult to obtain in the bauxite mining towns of Linden, Kwakwani and Everton. They want the Government to ensure that workers get rice immediately.

The sugar unions had similar complaints and have requested that more essential commodities be taken to shops in the sugar belt.

Minister Malcolm Corrica admitted that some commodities are short. He said there are some problems to be straightened out in the state's distribution system.

On the matter of a shortage of

rice, Corrica said that rice farmers have not been delivering rice to the Guyana rice marketing and milling authority as they should.

The minister also identified transportation problems affecting the distribution of rice.

GUYANA

HOYTE VISITS MARKET, ORDERS CHANGES IN RICE SITUATION

Rice Authority Reorganization

Georgetown SUNDAY CHRONICLE in English 1 Sep 85 pp 1, 10

[Text]

ORGANISATIONAL changes have been made at the Guyana Rice Milling and Marketing Authority (GRMMA) in the wake of visits by President Desmond Hoyte to Bourda Market, Guyana Stores Limited and the GRMMA yesterday.

Cde Leon Dundas who was temporarily appointed manager of the GRMMA would now be replaced by Cde Abel Felix, former Chairman of the Guyana National Energy Authority.

In addition, Marketing Manager of the GRMMA, Cde Frederick Lashley has been sent on pre-retirement leave with effect from yesterday by the Authority's management.

Cde Dundas retains the chairmanship of the newly-established entities in the rice sub-sector — the GRMMA, the Guyana Rice Export Board and the National Rice and Padi

Grading Centre.

As a result of the change which took effect yesterday, Cde Dundas will now be free to take up his appointment within the Office of the President as Principal Production and Policy Research Officer within the recently-established Production and Policy Research Unit.

This unit will function as an inspectorate to monitor activities in various production sectors and will be headed by Cde Deryck Bernard.

Cde Dundas' responsibilities would be to monitor, specifically, the rice sub-sector ensuring that all infrastructure are in place and properly maintained. This includes ensuring that equipment for land preparation, planting and harvesting, transport facilities, milling and storage facilities are adequate.

Cde Lashley's leave which

takes immediate effect, is as a result of what has been described as "his inability to cope with the tasks assigned him in relation to the efficient distribution of rice to retail outlets."

In the meantime, a team from the State Planning Secretariat will review the systems in place at the GRMMA for the acquisition, sale and distribution of rice to consumers.

Yesterday's visits to Bourda Market, Guyana Stores Limited and the GRMMA by President Hoyte were a follow-up to those Cde Hoyte made to both Bourda Market and Guyana Stores Limited Friday.

Meanwhile, as indicated by the President earlier last week, the Authority intends to have the rice situation normalised in the course of one week. (GNA)

Distribution Changes

Georgetown GUYANA CHRONICLE in English 2 Sep 85 p 1

[Text]

CONSUMERS in Georgetown should be able to obtain rice more easily at Bourda Market today following the arrival of more

than 600 bags of rice from two of the Guyana Rice Milling and Marketing Authority's installations.

The rice was stockpiled yesterday and will be ready for sale at some 30 stalls, Mayor Mavis Benn told the Chronicle yesterday. This increase in the number of stalls selling the staple grain will make it much easier for consumers, Cde. Benn said.

President Desmond Hoyte who visited the market on two occasions last week, had ordered that more stalls be given quotas to end the long queues for rice. The President had instructed GRMMA officials last week to improve rice distribution systems and to ensure that

the long queues disappear in a week's time.

This followed his discussions with them last Tuesday. Organisational changes at the GRMMA have since been announced.

Guyana Stores Limited as well as several other City outlets are also expected to

be given increased quotas of much better quality rice on instructions from Cde. Hoyte.

For weeks now consumers have been experiencing difficulty in obtaining adequate supplies of rice, prompting the President's intervention.

Use of Troops

FL111518 Bonaire Trans World Radio in English 1130 GMT 11 Sep 85

[Text] Guyanese troops are helping to distribute rice in Georgetown and other parts of Guyana in an effort to alleviate recent shortages. The Guyana Defense Force has been called in to assist civilian authorities. Troops in the Defense Force became involved after President Desmond Hoyte intervened last week to insure that scarce rice supplies would get to the consumers. In recent weeks, people have stood in line for hours at Georgetown's municipal market to get rice. The staple has been difficult to obtain and when available, has often been of inferior quality and highly prices.

CSO: 3298/025

GUYANA

BRIEFS

KEROSENE PRICE CUT--The Ministry of Trade and Consumer Protection has announced a 49 cents per gallon reduction in the price of kerosene. The price of a gallon of kerosene was lowered from yesterday, according to a release issued by the Ministry. The reduction has come about as a result of the recent weakening of the US dollar relative to the other internationally traded currencies in the basket of currencies to which the Guyana dollar is linked, the Ministry explained. A reduction in the consumption tax has also contributed to the 49 cents per gallon decrease in the price of kerosene to local consumers. [Excerpt] [Georgetown SUNDAY CHRONICLE in English 25 Aug 85 p 1]

CSO: 3298/025

JAMAICA

IDB REVIEW PREDICTS 'DEEPENING RECESSION' FOR 1985

Port-of-Spain TRINIDAD GUARDIAN in English 18 Sep 85 p 5

[Text]

BRIDGETOWN, Tues., (Cana):
THE Inter-American Development Bank (IDB) has forecast a deepening of the economic recession in Jamaica during 1985, before any improvements in the country's economy.

The bank, in its annual review of the performance and prospects of members, said that the closing of two major bauxite facilities and poor market prospects for both bauxite and sugar in the medium term, suggest a continued shortage of foreign exchange.

This, in turn, would lead to shortages of imported inputs for manufacturing, construction and agriculture.

But the IDB at the same time said that non-traditional exports, primarily to North America, have begun to show promising growth.

However, several years and substantial new investment will be needed before these exports begin to make a major contribution to the country's foreign exchange requirements, the IDB added.

The bank noted that tourism had now become an important source of foreign exchange and employment, but added, that its continued growth depends on the country's ability to maintain an atmosphere of

political and social stability, and to improve the quality of tourist services.

Reviewing the past year, the IDB said that after three years of very modest rates of growth, large public sector deficits, and declining international reserves, the Jamaican economy began to show signs of responding to economic reforms instituted by government at the behest of the International Monetary Fund (IMF).

The various sectors of the Jamaican economy were mixed, said the IDB. The leading sector was agriculture. But such traditional export crops as bananas and sugar put in poor performances.

The mining sector was also troubled, with a slower-than-expected recovery of world aluminium demand. The financial problems of United States gulf coast alumina refineries to which much of Jamaica's bauxite is tied have compounded the problems.

CSO: 3298/1046

JAMAICA

MANLEY BACK AT PNP HELM; PARTY FACTIONS DESCRIBED

Manley Remarks

Kingston THE DAILY GLEANER in English 2 Sep 85 p 1

[Text]

Mr. Michael Manley resumes official duties today as President of the People's National Party with promise that "it will not be quite so quietly". Returning to the leadership after a long period of illness, Mr. Manley said the party was now stronger than ever before.

Mr. Manley's comments on his return to duties were made at a Thanksgiving Service to express gratitude for the return to full health at the St. Michael's Church, Victoria Avenue, Kingston, yesterday morning. Later in the day he addressed two party constituency conferences in Kingston and Manchester.

He said that the movement had been through the fire many times and had suffered trials and tribulations but each time it had risen "like a phoenix from the ashes more pure, more worthy and stronger than ever before. I believe now we are stronger than ever before".

He declared: "I am glad to say I am fit", adding that he had been carrying out some of his duties quietly but "now from today it will not be quite so quietly".

The country, he said, faced many grave problems and the party many great tasks. He asked that the congregation join in praying "that our movement is worthy of the tasks that lie ahead of us. It is not enough to want to do things. It is more impor-

tant to seek to be worthy of doing those things." Mr. Manley said that this was an important juncture in Jamaica's life and it was in this context that he exhorted the congregation to join the movement in prayer.

He expressed gratitude to all those who had been charitable in praying for him, sending him good wishes and food and organising the service. He said he had never before felt such support, support which he could feel like a physical presence. According to him, at the darkest time, he found that his faith did not waver.

Rev. Canon Hugh Smythe, Rector of St. Michael's, in delivering the sermon said the people of the country must try to be united, pointing out that though Jamaica had its problems it was not anything as bad as the blood shedding in Lebanon, Ireland and Central America.

Commenting on apartheid, Canon Smythe said that the people of South Africa were children of God and one day they must be freed. He declared, "what is happening in South Africa will never happen here".

Mr. Manley was joined in the service by his mother, Hon Edna Manley, his brother, Douglas and top officers of the party. At the end of the service party supporters presented him with a portrait of himself.

Kingston THE DAILY GLEANER in English 2 Sep 85 pp 1, 3

[Article by Winston Witter]

[Text] Mr. Michael Manley, President of the People's National Party, resumes normal political duties today after a long period of illness and recuperation. He is coming back to hold full reins of his Party which is still grappling with the difficult task since 1983 of opposing the Seaga regime outside of Parliament.

Behind the facade of a fragile unity now being displayed by the Party's long-standing right and left wing factions, a burgeoning showdown looms over the horizons. One would not be too far from the target if one concludes that the "clash of the lions" will again take place at the 48th annual conference of the Party in 1986.

There are already signs of a consolidation of the right-wing forces said to be now in control of the direction of PNP. The right-wing faction is noted for its vigorous fight against the left, but traditionally their battles are staged without much organisation, unlike the opponents who fight strictly along the lines of discipline and clandestine grass roots organisation.

For the first time in six years, the PNP will hold real elections for vice presidents at its upcoming annual conference, a matter which Mr. Manley should be aware of but he is not likely to be au fait with what went into the sudden decision by Mr. Robert Pickersgill and Mr. Horace Clarke to make a bid for the second-line leadership posts. This move has predictably not only raised concerns among the left-wingers but it has also jolted them into another reality: the appearance of a tactical and most crucial right-wing strategy.

The PNP had its last elections for vice presidents at its 40th annual conference in 1978 when bitter rivalry between the factions resulted

in the ousting of Mr. William Issacs. The slate at the time was Miss Portia Simpson whose elevation was seen as a victory for the women; Mr. Francis Tulloch, a left-wing sympathiser; Mr. Anthony Spaulding another left-wing admirer; and Mr. P.J. Patterson, right-wing.

Since then, Mr. Tulloch stepped down in 1979 to be succeeded by Mr. Ralph Brown, with Mr. Patterson, Miss Simpson and Mr. Spaulding as the other vice presidents. In 1982, Mr. Patterson stepped down to "return to grass roots organising". Mr. Ralph Brown also declined re-election. Both men were replaced by Mr. Winston Jones and Mr. Seymour Mullings.

Mr. Spaulding resigned in 1982 as differences over the Party's direction developed between him and Mr. Manley. At the time Mr. Manley claimed that he was cracking down on indiscipline in the Party. Mr. Spaulding was replaced by Mr. O.D. Ramtallie.

The incumbent vice presidents are: Miss Portia Simpson, Mr. Seymour Mullings, Mr. Winston Jones, and Mr. O.D. Ramtallie. Mr. Patterson was elected chairman a year after he stepped down as vice-president. These vice presidents have been retained in their posts by en bloc elections over the period. They are all running in the upcoming elections and are sure they will be re-elected.

Mr. Ramtallie is pretty sure that he will be returned. In fact he has been, for nine months, secretly working among delegates to this month's conference, according to sources.

Mr. Jones, a moderate, who was not sure up to recently that he was running has decided to take up the baton again. He is also confident that the delegates will throw their

support behind him.

Mr. Mullings, another moderate, feels convinced that his track record will ensure him a place in the senior executive slot. Talks among Party watchers are that they cannot afford to lose Mr. Mullings and perhaps he knows this quite well, hence he's not so excited about a campaign.

Miss Portia Simpson without a doubt will be returned as vice president. Her popularity in the Party ranks pretty close to the Party Leader's. Her secured block of votes rests among the women and she has a considerable amount of support among the youth who see her as a "roots woman".

But why do Mr. Clarke and Mr. Pickersgill want to jockey for the posts as vice presidents at this time? They both are very casual about their explanations, which do not point anywhere near, for instance, why Mr. Pickersgill will be spending a lot on his campaign.

Mr. Pickersgill, constituency representative for North Eastern St. Catherine, is now treasurer of the Party and has been a member of the Party Executive for several years. He is now the Party's spokesman on Public Utilities and Transport.

Mr. Clarke, former Minister of Mining and Energy and Public Utilities and Transport as well as Member of Parliament for North West St. Mary (1972-76) and West Central St. Mary (1976-83), is the spokesman on Mining and Energy, and Constituency representative for West Central St. Mary.

Inside sources say that the bid by both men is a move to consolidate the control of the Party by the right-wing faction. If Mr. Pickersgill is elected, then the one likely to take over his post will come from among Mr. Ken Witter (Deputy Treasurer), Mr. Frank Pringle (spokesman on Tourism) and Mr. William Issacs.

Mr. Manley hopes to step down following any general election called by Mr. Seaga, according to inside sources. He must, however, have a successor.

During Mr. Manley's illness, many

supporters and key officers were concerned about chairman, Mr. P.J. Patterson's, role as chief spokesman. They felt that he was presenting himself as the successor to Mr. Manley. Sources said that a handful of officers led by Patterson visited Mr. Manley in the latter half of the year and asked him to rest while they carried the baton. Mr. Manley agreed but he strongly felt that he was "letting down" the team.

But Mr. Patterson's "upstaging" activities, especially on the speech circuit sent waves through the Party and there was talk of the left disapproving and resisting any attempt by Mr. Patterson to succeed Mr. Manley. Therefore, the vice president slate had to be shaken up so as to provide the right-wing factions with alternatives in the event that Mr. Patterson is rejected. He is not liked for his style of leadership and some treat him with contempt for having lost the 1980 elections in South Eastern Westmoreland to a woman, Euphemia Williams.

A prominent spokesman for the left said that any move on the part of Mr. Patterson or elements of that wing of the Party to catapult him to the helm of leadership would be relentlessly resisted.

Party groups have been increasing considerably in recent months. A source said that in January the group count was 300, but this figure has jumped to 1,200. However, in party parlance these groups are merely "paper groups."

These "paper groups" are considered to be a bad reflection on the state and character of the PNP's Secretariat, headed by Dr Paul Robertson, General Secretary, "Dr Paul" is trying very hard but the role that he has been given to play makes him look very ineffective. The character of the Secretariat, it is felt, is not in keeping with the "militancy" that is required at this time.

So Mr Manley comes back to the party officially in an atmosphere reminiscent of the

months prior to the 1978 right and left wing show down. His first major engagement will be presiding over the 47th annual conference of the party at the National Arena, 19-22 September.

Mr Manley was instrumental to cooling down the boiling cauldron of discontent in '78. It is not known whether he can avert the onward march of both forces to the final and inevitable duel that will determine the fate of the 47-year-old party.

CSO: 3298/1044

JAMAICA

STONE POLLS ASSESS GOVERNMENT PERFORMANCE, LABOR CLIMATE

Kingston THE DAILY GLEANER in English 29, 30 Aug, 2 Sep 85 and THE SUNDAY GLEANER in English 1 Sep 85

[29 Aug 85 p 2]

[Opinion Poll 5]

[Text] The July 1985 Stone Poll was carried out by Professor Carl Stone over the period 25-31 July, 1985. The sample includes 1,102 persons (18 years and over) from 54 areas across the island.

Sixty-four percent of the sample voted in the 1980 elections. Of that group of 1980 voters 57 percent voted JLP compared to the actual 59 percent JLP vote in 1980. The sample therefore undercounts JLP strength by some 2 percent. The last Stone Poll was carried out in February 1985.

How many Jamaicans supported the recent general strike?

The July 1985 Stone Poll found that 70% of the citizens in the Corporate Area and 65% of citizens in the other parishes supported the general strike called by the island's six major trade unions. Only about one out of every three JLP supporters endorsed the general strike while 9 out of every 10 PNP supporters endorsed the general call. Two out of every three citizens not supporting either of the political parties also supported the general strike.

Among the employed and self-employed persons 25% in the Corporate Area remained away from work in support of the strike call while there was a 8% level of labour withdrawal in other parishes.

A majority of citizens were unhappy with how the strike was conducted. The main dissatisfactions were as follows:

There was too much disruption of essential services and too much damage to the economy; the strike was too long; there was not enough careful organisation, planning or communication with workers by the trade unions, the results were ineffective and imposed costs on workers.

A small minority of JLP supporters also felt that the strike was political in intent, while a minority of PNP supporters felt that the strike was called off too early.

ANSWERS:

% agreeing with the general strike

% disagreeing

Corporate Area 70%

27%

Other parishes 65%

31%

% of employed and self-employed who did not go out to work

Corporate Area 25%

Other parishes 8%

% not satisfied with how strike was carried out

Corporate Area 53%

Other parishes 51%

[30 Aug 85 p 2]

[Opinion Poll 6]

[Text]

How do Jamaicans feel about the disciplinary action taken against JPS and Fire Service workers who went on strike during the general strike called by the 6 major trade unions?

The July 1985 Stone Poll revealed that a majority of citizens oppose such disciplinary action.

The main reasons advanced include the following:

The workers have a right to defend their rights through strike action; these disciplinary measures amount to victimisation of workers; the workers are being punished unfairly; these actions represent efforts to cramp the union movement and intimidate workers; the workers were acting on instructions from their unions.

The minority who support the disciplinary measures insist that essential services should never go on strike, that the workers have broken the law, that it is time that a government has the guts to impose firm discipline and that the strike was damaging our economy.

ANSWERS:

	<u>Corporate Area</u>	<u>Other parishes</u>
Support disciplinary action	22%	38%
Opposed to disciplinary action	70%	59%
Don't know	8%	2%

[1 Sep 85 p 3]

[Opinion Poll 8]

[Text]

Influenced mainly by the economic and social pressures Jamaicans are now experiencing a weak grasp of the underlying causes and a growing lack of confidence in the policy leadership of the Prime Minister, the majority view emerging from the July 1985 Stone Poll was that both Mr. Seaga and his JLP government have performed poorly or very poorly.

In the Corporate Area 55% rated the JLP poorly and 53% in the other parishes had the same view. 59% rated Mr. Seaga poorly in the Corporate Area and 50% in the other parishes.

Most PNP supporters rate the JLP and Prime Minister very low on our performance

scale (95% poor or very poor). JLP supporters tend towards a majority view that both are trying their best. Only a minority of JLP supporters see either the JLP performance or that of Mr. Seaga as rated good or very good.

Politically neutral citizens divide almost equally between a low rating (poor or very poor) and a medium level rating (trying) for both the JLP and Mr. Seaga.

JLP RATINGS		
ANSWERS:		
Corporate Area		Other parishes
<i>Very good</i>	1%	6%
<i>Good</i>	2%	5%
<i>Trying</i>	32%	36%
<i>Poor</i>	36%	28%
<i>Very poor</i>	29%	25%
RATINGS FOR MR. SEAGA		
Corporate Area		Other parishes
<i>Very good</i>	1%	6%
<i>Good</i>	2%	6%
<i>Trying</i>	38%	38%
<i>Poor</i>	22%	16%
<i>Very poor</i>	37%	34%

[2 Sep 85 p 2]

[Opinion Poll 9]

[Text] What do Jamaicans believe about the Government's recent actions towards and dealings with the country's trade unions? Has the Government been merely acting firmly in the national interest or has the Government been guilty of trying to undermine the trade unions?

The July 1985 Stone Poll found that a majority of citizens in both the Corporate Area and other parishes supported the view that the Government has been trying to undermine the trade unions.

These opinions are, of course, influenced by political leanings. 70% of JLP supporters feel the Government has been acting firmly in the national interest. 83% of the PNP supporters expressed the opposite view that the Government has been trying to undermine the unions. Among citizens who are not supporting either of the political parties 51% feel that the Government has been undermining the unions and 29% disagree.

ANSWERS:

Corporate Area	Other parishes
Government trying to undermine the trade unions 57%	55%
Govt. acting in the national interest 31%	25%
Doing both 6%	5%
Don't know 6%	15%

CSO: 3298/1044

JAMAICA

STEPS TAKEN TO CONTROL DRUG SMUGGLING FROM AIRPORT

New Security Measures

Kingston THE DAILY GLEANER in English 29 Aug 85 p 1

[Text] An amount of \$10,000 is to be handed over to the Commissioner of Police by Air Jamaica to be used as reward for information leading to the arrest and conviction of anyone found illegally exporting dangerous drugs on Air Jamaica.

This was announced yesterday by the Ministry of Public Utilities and Transport, the Hon. Pearnel Charles, in what he called "further measures" to tighten security at the airports and to minimize the possibility of drug pushers using commercial airlines for drug trafficking.

Additionally, Mr Charles said that the Canine Division of the Jamaica Constabulary Force would be strengthened with 15 more dogs which were to be acquired for training in the detection of ganja.

The dogs would be turned over to the Ministry of National Security and Justice who handled this aspect of security at the airport, he added.

Mr Charles said that signs have been posted on the gates providing access to the "Air Side" and restricted areas at the Norman Manley International Airport.

The signs read: "Restricted area. All persons entering or leaving this area are liable to be charged" and "Trespasses will be prosecuted; maximum fine \$20,000."

"I wish to make it very clear that these signs are not for show and it must be clearly understood that once anyone enters through the gates, these rules will be enforced," he said.

In other developments, it is understood that the passes of certain members of staff of Air Jamaica will be withdrawn as part of the series of measures aimed at cracking down on ganja trafficking.

Mr Charles announced on Tuesday that the services of 160 security guards and ramp handlers would be terminated. He, however, said yesterday that it was the contracts of the companies that would first be terminated, resulting in the sacking of the 160 personnel.

Freight Photograph Controversy

Kingston THE DAILY GLEANER in English 29 Aug 85 p 1

[Text] A conflict of legal opinion exists as to whether the requirement by Air Jamaica for all agents shipping goods to be photographed, is in violation of the constitutional rights of the citizen.

According to an eminent practicing lawyer, this requirement is a "draconian measure" which should be resisted.... "Common-law, it would be a violation of one's privacy."

He said that taking one's photograph without one's permission given the circumstance was considered to be an invasion of one's privacy. It was not known, the lawyer said, what was going to happen to the photograph at the other end, which would leave the shipper open to possibilities of all kinds of harassment and abuse.

"We don't know for what ulterior purpose the picture would be used," he added.

Another eminent attorney, said he found nothing wrong with the photographing of shippers because already pictures were being taken of voters and motorists. However, he said that the law had to be looked at more closely as well as the reasons for the photographs and the conditions for taking them had to also be examined.

He warned however that one's privacy should not be invaded; but he noted: "It doesn't offend me legally as a wrong."

What offended him, the attorney said, was the manner in which 160 workers at the airport were being fired because their rights could be violated as they were not found individually liable for anything.

The crux of the nation's criminal justice system was that one was innocent until proven guilty, he said. This kind of measure was only taken during "war time" and as far as he was concerned there was no war.

One attorney said that the news struck him as "strange" because, prima facie, it smacked of an invasion of one's privacy. However, there was "no specific clause in the Constitution that says you have a right to privacy"; and on that basis no rights under the Constitution had been violated.

The Minister of Public Utilities and Transport, the Hon. Pearnel Charles, will be meeting with the Customs Brokers Association to explain the new measures to them this afternoon.

He said that the attempt was not to oppress the exporter. The action was taken in the interest of the nation, Air Jamaica and himself, Mr Charles said.

Confirmation of Photo Policy

Kingston THE DAILY GLEANER in English 30 Aug 85 pp 1, 3

[Text]

Air Jamaica will not be forcing anybody who wants to freight cargo on its aircraft to take photographs. If a shipper does not want his photograph taken to be a part of the airline's record, then the airline will not accept his goods.

The Hon. Parnel Charles, Minister of Public Utilities and Transport, gave this assurance yesterday to representatives of the Customs Brokers' Association who called on him for clarification of his statement on Tuesday that the national airline would be requiring all agents shipping goods to be photographed.

Questions were raised in legal circles after his announcement about whether Air Jamaica's requirement for cargo freighters to be photographed, was a violation of constitutional or civil rights.

"We are not forcing anybody to be photographed. If they don't want to be photographed, we are not taking their cargo," Mr. Charles explained to the delegation of customs brokers at a meeting at his office.

Air Jamaica had no problem with bona fide customs brokers, Mr. Charles said, and the CBA representatives themselves said they had no objection to being photographed by Air Jamaica for identification and that in fact they were issued with photographic identification, signed by the Collector-General.

The whole focus of the new identification measure, Mr. Charles stressed, was that all shippers of goods of whatever quantity, should be identified properly and where customs brokers are involved, the onus would be on them to see that goods accepted by them for air freighting should be what the labels

on the goods say they are and the shippers are who they say they are.

The experience, Mr. Charles said, had been that a shipper would present to Air Jamaica, goods to be shipped, giving a name and address. However when it turned out that ganja was in the cargo, the shipper would be found to have presented a false name and false address. Air Jamaica would now be photographing the sender, since the airline personnel would not have time to verify the name and address, so that if ganja is found in the goods being shipped, the photograph of the sender would be available to the authorities for proper action to be taken against the sender.

"We are not going to send off a photograph on every box being shipped," Mr. Charles said, "but if they don't want to be photographed, we won't take their goods".

"Where an exporter is not on the JNEC list of certified exporters, he will have to be photographed," Mr. Charles said, explaining that the photograph would be for Air Jamaica's records. The Custom Broker, he said, now had to be sure who he was shipping for and what was being shipped.

A representative of the CBA pointed out that they acted as agents of persons or companies shipping goods and were not the shippers themselves. Mr. Charles said they just had to become more vigilant.

The Customs Brokers' Association represent about 60 firms of customs brokers and it is believed that there are about 40 others operating outside of the Association.

The delegation members said they would cooperate in any effort to see that no narcotic drug is in whatever goods they shipped.

The customs brokers were told that the ministry was "not casting anything in cement." Air Jamaica had a problem and solutions were being sought for it and if one thing did not work, something else would be tried.

Also companies using Air Jamaica to ship their goods, would be required to provide positive identification for the employees or agents it designates to air freight goods for them.

The customs brokers raised the question of cancellation of passes which used to permit them carry to the airport. One cited the case of, say, an 807 exporter needing urgently a spare-part for a machine. A customs broker would be telephoned to prepare the proper documentation and would then have to rush off to the airport to clear the spare-part. What he wanted to know, would happen "in this very, very intricate situation?"

Mr Charles said that persons with "genuine and important business would not be barred from the airport." He said the new security measures would seek to limit persons entering the business areas at the Norman Manley International Airport to those persons with proper identification, going about their legitimate business.

What would happen though, the customs brokers were told, was that passes would no longer be issued for persons to meet their families, and anybody using an airport pass would have to be on genuine business.

One of Mr Charles' aides told of once having seeing a five-year-old boy wearing a "service pass" to meet his mommy. That happened at no other airport, he said, and it would cease happening here.

A ministry spokesman said that anybody entering or leaving a restricted area would be subject to search.

Also, it was stated at the meeting that for reasons of air safety, new regulations would be coming soon.

CSO: 3298/1045

JAMAICA

BROADCASTING CORPORATION LAYOFFS, SERVICE CUTS CONTINUE

JBC Actions

Kingston THE DAILY GLEANER in English 31 Aug 85 pp 1, 3

[Text] The Jamaica Broadcasting Corporation (JBC) will make 86 workers redundant tomorrow and cease operations at Radio Central (Mandeville) and Radio North East (Ocho Rios). Cost of the redundancy programme has been put at over \$850,000.

This latest round of the Corporation's redundancy programme, said to be geared at reducing operational cost by \$1.7 million up to March next year, follows the sacking two weeks ago of 25 temporary workers.

The number of staff at the Corporation will stand at 179 after Sunday.

Workers in all departments of the Corporation, except the newsroom, engineering and accounts departments, have been affected as well as the operations of Radio Central and Radio North East.

Both community radio stations received telephone calls yesterday to cease broadcasting immediately. Radio West, the third community station, will continue to operate.

The entire Sports Department of JBC has been scrapped and some of the staffers transferred to the newsroom.

The **Gleaner** understands that workers in the Accounts Department of the JBC are also slated to be axed, but management is awaiting the installation of computers to replace them.

A release from the Corporation signed by the general manager, Mrs. Gloria Lannaman, said yesterday:

"Following the reorganisation and restructuring which has been going on at the JBC over the past months, it has been found necessary to reduce operational expenditures in certain areas, including staff. This process is in line with steps being taken throughout the public sector to achieve a greater degree of cost effectiveness.

"Effective 1st September 1985, the operation of Radio Central and Radio North East will cease; JBC will contract out most of its local production; and a new basis is being put in place to accommodate new sales and marketing strategies.

"The resultant effect of these measures will reduce staff levels from 265 to 179 representing a reduction in operational cost upwards of \$1.7 million to March 1986. These persons will benefit from redundancy payments in excess of \$850,000, and in accordance with the union agreement will be eligible for free-lance contractual work with the JBC where possible."

New JBC Chairman

JPRS-LAM-85-091
30 October 1985

Kingston THE DAILY GLEANER in English 4 Sep 85 p 1

[Text]

GEORGE MCWHINNIE ABRAHAMS, the new JBC Board Chairman is the Public Relations and Special Projects Manager of the J. Wray and Nephew Group of Companies which he joined 29 years ago, and recipient of the Prime Minister's Medal of Appreciation in 1983. He is also a Justice of the Peace for St. Andrew.

Mr. Abrahams serves on the Board of the Jamaica Cultural Development Commission; is Chairman of the Committee of Friends of the Bustamante Hospital for Children; a Trustee of the West Kingston Trust, and a member of organisations in education, horse-racing and breeding, as well as bird-shooting.

As a former Deputy Chairman of the previous JBC Board, Mr. Abrahams played an important role in the change-over from black and white to colour television in the Island, and was on the negotiating team for the development of Jamaica's Earth Station and Satellite.

He is a past President of the Clarendon College Old Students Association; a member of the Jockey Club of Jamaica, the Manchester Golf Club and the Hill Run Gun and Fishing Club, of which he is also a past President.

CSO: 3298/1046

JAMAICA

YOUTH PROGRAMS WILL BEAR BRUNT OF NEW BUDGET CUTS

Kingston THE DAILY GLEANER in English 31 Aug 85 p 1

[Text]

Heavy financial cuts in the Ministry of Youth, Community Development and Sports are expected to severely affect children's homes and places of safety as well as youth camps and youth centres operated islandwide by the Ministry. Some of the monthly activities to mark International Youth Year (IYY) have been scrapped as a result of the cuts.

Sources close to the Ministry said yesterday that since the national budget was presented in June the Ministry's allocation had been cut by almost \$7 million. The 1985/86 allocation was initially \$37 million but it now stands at about \$30 million and is expected to be further reduced.

Contacted, the Minister of Youth, Hon. Ed Bartlett, said he would be making a statement on the adjustments in the programmes by next weekend.

In the 1985/86 budget debate, Mr. Bartlett in July had warned that adjustments made in the 1985/86 recurrent budget would necessitate a scaling down of a number of his

Ministry's programmes and the elimination of a few.

Hardest hit in the Corporate Area is the Maxfield Park Children's Home with its 276 children, the budget for which has been cut from \$2 million to \$1 million.

Already Government subvention to some of the children's homes is three months in arrears.

There are over 5,000 under-privileged children in the approximately 37 children's homes and places of safety islandwide, all of which fall under the Children's Services Division of the Ministry.

Plans are afoot to aid the homes through the setting up of a National Foundation for Children to oversee the disbursement of funds from charitable organizations to the homes, the Ministry source told the Gleaner. Members of "a broad-based" board have already been appointed but are yet to be announced.

A national fund-raising committee for the homes, headed by Mrs. Ruby Walcott and which has so far raised \$30,000 has also been set up.

A Food Sufficiency Programme is also to be launched through which over 50 acres of arable land in and around the homes will be identified and put into agricultural production and the rearing of livestock. This programme is projected to provide a substantial amount of the food required by the homes.

The programmes at the five youth centres will be phased out and they are to be converted into regional headquarters for the Social Development Commission (SDC) as well as to be used for youth activities. According to the source, no new students have been entered in the centres for the new school year.

The youth centres — Comodore and Spanish Town in St. Catherine, Lyssons in St. Thomas, Linton Duffus in South St. Andrew and Porus in Manchester — train a total of about 200 young people each year. These young persons, essentially drop-outs from all-age schools, are trained in carpentry, wood work, craft work and other such skills. The Linton Duffus Centre will be closed, however.

At the converted centres the craft aspect will be continued at a reduced level.

The youth camps will be converted into H.E.A.R.T. academies.

Because of the scaling down of activities in all sectors of the Ministry the main emphasis will be on voluntary leadership in the communities. Already the Institute of Sports relies on help from the Sports Advisory Committee and the Women's Bureau will be depending heavily on Parish Advisory Committees.

Activities for IYY which started out on a high note in January have been "badly affected" as a result of the cuts and two months of the year's activities have been abandoned. September's activities which should focus on regional affairs, when a symposium on culture and a festival on Caribbean youth should have been held, will be scrapped. As a result of this the National Congress on Youth and Students will not be held.

August's activities which should have focussed on youth and sports was considerably scaled down.

CSO: 3298/1046

JAMAICA

MOST EXPORTS REGISTER DECLINE; TRADE GAP WORSENS

Statistical Review

FL102158 Kingston THE DAILY GLEANER in English 28 Aug 85 p 1

[Text] The April 1985 issue of the Statistical Review published by the Statistical Institute of Jamaica shows that imports were 6.6 percent above the value for April 1984. At the same time the value of exports was down a substantial 34.2 percent below that of April 1984. As a result the trade deficit worsened by U.S.\$34.3 million for the month of April 1985 compared with April 1984.

Imports recorded a rise in consumer goods, particularly consumer durables, compared with April 1984. Imports of raw materials was also higher in April 1985, but there were less imports of capital goods.

Traditional exports of sugar, bananas, coffee products and rum were at a higher level on April 1985 over April 1984. All the other products declined below the April 1984 level with bauxite down 79.6 percent and alumina down 45.5 percent.

Non-traditional exports recorded a 55-percent increase in April 1985 compared with April 1984. Exports of miscellaneous manufacturers, and in particular wearing apparel, were up. The same was true for exports of chemicals and machinery and transport equipment. All other categories of goods exported showed a decline below April 1984 with exports of horticulture well below the corresponding month in 1984.

Rise in Garment Exports

Kingston THE DAILY GLEANER in English 29 Aug 85 p 1

[Text] Apparel exports from Jamaica for the first six months of 1985 totalled some US\$22 million or J\$127 million. This compares with US\$26 million in exports for all of last year.

This was stated by Industry and Commerce Minister Douglas Vaz as he delivered the main address yesterday afternoon at the opening of a new garment factory under the 807 project--Jog Togs Limited.

Jog Togs is a wholly owned subsidiary of the H. H. Culter Company of Michigan, USA, and manufactures children's sleepwear and sportswear. The company which is located at 7 Carifta Avenue, Nanse Pen, has a capital investment of J\$6.4 million and is expected to employ some 180 workers within the first year of operation.

Mr Vaz in welcoming Jog Togs Limited to the 807 project said that the success of the project had justified his promotion of it. He said that there were now 45 factories employing 9,620 persons operating under the programme and that by the end of the year another 1,800 jobs were expected to be created in the apparel sector.

He also noted that some 19 garment companies which used to manufacture exclusively for the local market had switched to 807 export markets and that the number of workers in these enterprises totalled 2,733. This, he said, was an indication of the success of the structural adjustment programme. He noted that teachers were being recruited under the programme and were being trained as supervisors. Of 12 associate engineers being trained by the Jamaica Industrial Development Corporation three were former teachers.

He said that exports of apparel under the programme had grown

significantly and was expected to top the \$50 million mark this year. This, he said, was a very conservative figure as exports of apparel for the first six months of 1985 already totalled some US\$22 million. Monthly exports, Mr. Vaz said, now averaged US\$4.5 million.

Also speaking at the function was Mr. John Stevenson, Project Manager of Jog Togs, who spoke of the importance of the 807 project to H.H. Cutler and to Jamaica. The building was blessed by Father Richard Albert and the function was chaired by Mr. Richard Hessen, Plant Manager.

5-Month Trade Deficit

Kingston THE DAILY GLEANER in English 30 Aug 85 p 1

[Text] The adverse trade balance for the first five months of 1985 ending May, amounted to US\$214.9 million, recording a deterioration of 154.6 per cent compared to that of 1984. There was an increase of US\$130.5 million above the January to May 1984 level of US\$84.4 million.

Imports for the five months are up by 6.1 per cent to US\$498.8 million. To compound the deterioration of the Trade Balance, exports are down by US\$101.6 million, a fall of 26.4 per cent for the period.

The most significant increase in imports was accounted for by Mineral Fuels which went up by US\$43.3 million, an increase of 34.0 per cent. This consists primarily of the signifi-

cant increase in imports of petroleum products during the period.

The largest decline in Exports was caused by the fall in exports of Crude Materials of 52.1 per cent from US\$266.0 million to US\$127.4 million. This fall off of US\$138.5 was accounted for by the continued decline in bauxite and alumina exports.

Miscellaneous Manufactured Goods exports recorded a very favourable increase of 56.8 per cent moving from US\$13.2 million to US\$20.7 million for the period. On the other hand, imports of Food was down by 8.6 per cent, a decline of \$7.0 million from the 1984 level of US\$81.3 million.

JAMAICA

BRIEFS

MANLEY PARLIAMENTARY SEAT--Kingston, Tues (CANA)--Opposition People's National Party (PNP) leader Michael Manley says he wants to fight for a parliamentary seat in Kingston which is losing one of its four electoral districts because of a population shift to an adjoining parish. "I do not wish to leave Kingston," Mr Manley told a conference of the PNP's East Central Kingston Branch, which he represented from 1967 until the party boycotted the December 1983 general elections here. "I have never known any other politics but Kingston politics and I have a feeling that the (PNP) executive will let me have my way," he added. Mr Manley said Kingston's adjoining parish, St Andrew, which currently has 11 constituencies will gain a 12th. The PNP is opening its annual conference on Thursday and election issues are expected to dominate the four-day proceedings. Prime Minister Edward Seaga has brushed aside a PNP demand for early general elections. The Socialist opposition party boycotted the 1983 poll because it was held on an outdated voters list. [Text] [Port-of-Spain TRINIDAD GUARDIAN in English 18 Sep 85 p 5]

SEAGA CALL-IN PROGRAM--A monthly radio call-in programme, "Direct-Line," with Prime Minister Edward Seaga began last night on JBC Radio One. It lasted for over an hour and had Mr Ronnie Thwaites as moderator. Mr Seaga told a caller that a new company, Metropolitan Parks and Markets, began garbage collection in Kingston on Monday and would take some four weeks to get into full stride. The Ministry of Construction had also started the employment of 3,000 road headmen to maintain over 7,000 miles of roads, he said. Mr Seaga covered such areas as education, local government, the Racing Commission, Air Jamaica, victimisation, and the Police Force. The moderator apologised to callers who had been cut off, saying the programme's producers had no control over this. [Text] [Kingston THE DAILY GLEANER in English 29 Aug 85 p 1]

PEANUT GLUT--Jamaican farmers, mainly in south Manchester and St Elizabeth have produced twice the amount of peanuts they produced last year but are unable to sell over 500 tons of the high protein seed, with another 500 tons to be reaped within weeks. Processors who make salted and roasted peanut and peanut products say their sales have fallen dramatically. Some peanut farmers told THE GLEANER this week that this was going to be their last crop of peanuts for a long time. They recounted how they had to pay high prices for fertilizers, spraying materials and preparation of their fields as well as labour costs in the many stages of production and now were being offered less than the cost they had to meet in growing the peanut. Minister of Local Government, Hon Neville Lewis, who is member of parliament for North West St. Elizabeth, one of the main peanut growing areas has made representation to the Prime Minister and the minister

of agriculture to make arrangements for the purchase of peanuts by the Ministry of Agriculture. Mr Lewis said that the farmers have "answered the call to produce and this has resulted in five hundred (500) tons already reaped and for which a market cannot be found." In a news release, Mr Lewis said "a crisis is imminent as a new crop is due to be reaped within the next two weeks." [Excerpt]
[Kingston THE DAILY GLEANER in English 31 Aug 85 p 1]

CANADIAN AID--Kingston, 12 Sep (CANA)--Canada is giving Jamaica a J54 million dollar (one J dollar : 17 U.S. cents) grant for the purchase of Canadian fish products over the next 7 months, the Canadian High Commission announced today. A memorandum of understanding for the grant was signed by Jamaica's Prime Minister and Minister of Finance Edward Seaga and Canadian High Commissioner Robert Woolham. Canadian officials said the food grant will help to provide Jamaica with balance of payments support at a time of economic stringency, as well as generate additional capital funds, as earnings from the local sale of the products will go to Canadian and Jamaican Government-sponsored development projects. During the 1984/85 financial year Ottawa's development assistance to Jamaica was Can\$1 million dollars, the high commission said. [Text] [Bridgetown CANA in English 2144 GMT 12 Sep 85 FL]

PUBLIC-SECTOR LAYOFFS--Kingston, Monday (CANA)--The main opposition, People's National Party (PNP) has charged that the Jamaica Government is planning a programme of redundancy of workers in the public sector in order to pass the September quarter's International Monetary Fund (IMF) economic performance test. According to the party, the order was issued by Prime Minister, Edward Seaga, and workers to be affected by the cuts are currently employed in central and Local Government as well as statutory bodies. The party's spokesman on the public service, Dr Edwin Jones, said one of the reasons for the instructions was that the continued devaluation of the Jamaican dollar had increased the amount required for debt servicing and consequently decreased the sum available for recurrent expenditure. The Jamaica dollar is now worth 17 U.S. cents. Dr Jones said that ministries and departments had also been directed to make more drastic cuts in services provided to the public. "Even the payment of bills owed by ministries and departments to private companies for goods and services is being unilaterally rescheduled," he said. The IMF tests determine continued access to IMF economic assistance. [Text] [Port-of-Spain EXPRESS in English 17 Sep 85 p 27]

CSO: 3298/1047

NICARAGUA

COTTON PLAGUE DAMAGES 5,000 MANZANAS

PA262029 Managua Radio Sandino in Spanish 0000 GMT 24 Sep 85

[Text] Gladyz Baez, member of the FSLN Regional Committee in Region 2, Leon, Chinandega Department, today reported that the 5,000 manzanas of cotton damaged by [words indistinct] will be planted with sorghum or millet. She said that not all the 130,000 manzanas originally slated for cotton will be planted because of a machinery and spare parts shortage, the recent drought, and the plague affecting the plantations.

[Begin Baez recording] First of all, I want to thank you for the opportunity to report this problem of the cotton in the west of the country to the Nicaraguan people. This is a national problem, because cotton is an export product and brings in money. This money solves some of our other problems. As a result of the blockade and its repercussions, particularly in the production of cotton, we were forced to reduce the number of manzanas we had originally planned to plant, and which we had planted for 6 years.

For instance, of the 250,000 manzanas originally planned, we will only plant 130,000. [end recording]

Small, medium, and large producers are concerned about the plague known as FAGOTA that attacks cotton. Rosendo [name indistinct], of the Agricultural and Livestock Producers Union of Nicaragua, told this radio station that if this plague continues to spread, the cotton crop will be substantially reduced.

[Begin Rosendo recording] The plague already affects at least 50 percent of the plantations. We estimate that the damage could be greater. The problem lies in determining its origin, cause, and remedy. Apparently, the seed is the culprit. It was not properly treated [words indistinct] and, unfortunately, this coincided with other, favorable weather conditions that helped [words indistinct] reproduce in large numbers. This is the cause of the plague, as has been reported. [end recording]

CSO: 3248/13

NICARAGUA

STUDENTS RETURNING FROM CUBA PRESENT PLACEMENT PROBLEM

Managua BARRICADA in Spanish 19 Aug 85 p 4

[Text] What happens to the students who return from Cuba? In July 1983 the first 324 mid-technicians graduated in Cuba returned to our country. To date only 290 of them have been placed.

A year later 326 companeros returned. Of those, only 246 are working; and in March of this year 123 returned, of whom only 62 have been placed.

What is the source of the problem? Let us see what the Sandinist Youth and the Ministry of Labor have to say:

Mario Noguera, a leader of the youth organization, says that "certainly there are problems in placing the returning graduates, and this is due to the fact that, among other things, there has been no agency responsible for placing them. Now the Ministry of Labor has been given this job."

"Another factor at work here," he continued, "is that the youths were not told, before they left, what courses they would be taking, nor were they informed of each ministry's needs for specialists."

Salvador Chamorro, who is also a leader of the youth organization, explained the problems facing the graduates on their return: "Those in charge of human resources argue that they do not know what training the graduates received; therefore they are not sure whether it is proper to place them in a particular job. Another problem is that when they are over there they are given no follow-up, and it is clear that no provision is made for their return; then when they arrive here it is argued that there is no budgetary provision to hire them."

In Chamorro's opinion, the most serious thing of all "is that even the central directorates are unaware of the human resource needs of the enterprises for which they are responsible."

However, not only the ministries are causing this problem, but also the graduates themselves. In this respect Mario Noguera explained that "in some cases the technicians themselves are to blame, those who accept jobs inconsistent with their training, those who have refused jobs in war zones

or in places where they have no family. Others even demand vehicles or housing as a condition for accepting employment."

What is Being Done?

Rene Rivera, director of the Labor Ministry's Department of Employment, reports that "now, before a contingent returns, this ministry, along with the Sandinist Youth and the Planning Secretariat, is coordinating with each institution so that all of the companeros can be placed.

"This policy has already begun to bear fruit. For example, of the last group of 444 technicians, who returned in June of this year, more than 350 have already been placed," Rivera said, and affirmed that the rest would be placed within the next few weeks.

Noguera, of the youth organization, indicated in turn also that "we will be summoning the members of previous contingents, who have not yet been placed, to regional assemblies, so that we may, first, find out what their specialties are and then work with the ministries to place them."

Rivera added that "the Labor Ministry, through its regional offices, will make on-the-spot verification of the placement of each of them according to his or her specialty."

Young Graduates Express Opinions

Veronica Morales Medina, 19 years of age, returned as a technician in general animal sciences on 16 July of this year. To date she has not been placed by MIDINRA [Ministry of Agricultural-Livestock Development and Agrarian Reform].

"I went both times that they called me, and I was disappointed when they told me that there had been a mistake, because they did not have any jobs for us."

In addition to those two occasions, the National Development Bank called in all the specialists in general animal sciences, but of 21 companeros, only nine showed up. "They told us there that the jobs were available only in Region Six and in the Special Zones, for example, Mulukuku, Rio Blanco, etc. They did not guarantee us either lodging or meals."

Demonstrating the inconsistency of certain of the young graduates, Veronica said that "in this case I did not accept, not only because of the danger, but also because those minimal conditions were lacking."

Asked her opinion about the causes of this problem, Veronica commented that "actually I do not know why it is; they know we are coming, and they should know what is needed in each enterprise, and the truth is that they don't know anything. They don't give us any hope about when we will begin work. In my opinion, the main problem, in a word, is disorganization. I believe they need to organize the work a little better," she concluded.

Clemencia Areas and Jose Rivas are natives of Managua. Both graduated as spinning mill technicians, and at present they are employed at the FANATEX textile enterprise.

"We returned on 11 July, but at that time we had no definite jobs," said Clemencia, and she added that "it was 12 August before they told us to come to this enterprise, and 13 companeros were hired here."

When we asked them their opinions about the source of the problem in placing them promptly, Rivas said that "I believe it is due to poor organization. I went to COIP [People's Industrial Corporation] because someone told me to go there, but not because they asked me to come." Clemencia, in turn, supported him, saying that "it is obvious that there is no coordination, because when we arrived here, the director told us he had only asked for six, and there were nine of us."

Problems With Employee Relationships

Virgenza Lira and Danilo Diaz, unlike the other companeros, have already been employed at FANATEX for 8 months. Both studied for 3 years and are finishing technicians.

"We are not demanding special treatment, but simply that we be given just treatment as the technicians we are," said Virgenza. However, "up to now, they only tell us what job has to be done, and when we finish it we go on to another. What we are asking is that they not leave us stuck with this sort of thing, that we be given the opportunity to broaden our knowledge and that we be allowed to participate in the management of the enterprise."

Danilo then explained that "as we understand it, the technician has to know the general problems, in order to be able to propose methods to solve them. We are not learned people, of course, but we could help with some things. I believe we could participate in some sort of technical council for the enterprise."

Offering more information, Virgenza emphasized that "we have already suggested this to the management on other occasions, and we are interested in learning how to approach them. We would like them to understand that if we go on this way we can stagnate, while what we want is to improve ourselves."

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CSO: 3248/516

NICARAGUA

VEGA STATEMENTS IN SUPPORT OF CONTRAS SCORED

PA230355 Managua BARRICADA in Spanish 20 Sep 85 pp 1, 5

[Editorial: "Msgr Vega's Statement Promote Hatred"]

[Text] The Spanish news agency EFE carried an item datelined Bonn, capital of the FRG, with the following statements by Nicaraguan bishop Monseignor Pablo Antonio Vega: "Regarding the official and private aid that the counterrevolutionaries are receiving from the United States, Msgr Vega said that when the people feel their civil and social rights are not guaranteed, they have the right to ask for aid wherever they can get it."

How would you term the approval of U.S. aid to kill Nicaraguans, as a political or a religious statement?

Doesn't Msgr Vega's statements prove beyond any doubt what we have said about the church official's?

We are not filing false charges against the church. The truth points at the church. We are justified in accusing the church because of Msgr Vega's statements.

Isn't his statement open support for the financing of the assassins of our people?

Isn't Msgr Vega committing the Catholic Church as an institution to the interests of the Somozist guard, which has been reorganized by the CIA?

Isn't Msgr Vega supporting the demands of imperialism, which is trying to have the church as its most important instrument to destabilize the revolution?

We are sure that Msgr Vega is aware of all this.

The people know for what purpose the U.S. aid is being used.

Is imperialism interested in the civil and social rights of the Nicaraguan people as Msgr Vega claims?

How can one talk about impartiality and neutrality and at the same time make statements justifying the criminal activities of the mercenaries and the aid they receive from imperialism?

Msgr Vega refers to the FSLN's "unpopularity" and the "lack of freedom" during the electoral process, terms used by the politicians of the right.

Aren't Msgr Vega's statements favorable to the enemies of the Sandinist peoples' revolution?

Is this the way of politicians and church representatives cooperating with the Nicaraguan people?

Msgr Vega is not the first priest to speak against Nicaragua abroad. One hundred twenty-nine years ago, Father Agustin Vigil spoke in favor of William Walker in Washington.

Msgr Vega certainly is not honoring those church representatives who, during the decade of the 1920's denounced the Yankee occupation and requested that their colleagues in the United States support the Nicaraguan people. We are sure that those priests who think like Vigil will always submit to the foreign invader.

Vega's statements are not only dangerous, but make the church appear a supporter of the aggression financed by the U.S. Government.

CSO: 3248/13

NICARAGUA

WOMEN'S ASSOCIATION CHARGES SEX DISCRIMINATION

PA300430 Managua ANN in English 0330 GMT 30 Sep 85

[Text] Managua, 29 Sep (ANN) -- The assembly commemorating the eighth anniversary of the Nicaraguan Women's Association (AMNLAE) turned into an in-depth discussion analyzing Nicaraguan women's situation, demands, and role in production, defense and other areas of the nation's life.

Inaugurating the assembly in the name of the Sandinista Front (FSLN) National Directorate, the Directorate's Vice Coordinator, Commandante Bayardo Arce, gave recognition to the Nicaraguan women who today, alongside men, defend the revolution and participate in production throughout the country, benefitting the economy.

However, the Sandinista leader criticized AMNLAE's 10-page document entitled "The Situation of Women in Nicaragua," which was presented to the delegates for discussion. Describing the document as "insufficient," Arce asked for more combativeness from the women in the context of a revolution where all possibilities are open to all citizens without regard to sex.

He also called on women to be more active in labor unions and to insist that their particular demands be included in collective agreements.

Arce encouraged AMNLAE to increase its work with women in the army, police, factories and cooperatives.

According to the Sandinista leader, the stands taken by AMNLAE in its analysis were too general and marked to some degree by the differences between the sexes, which are not generally related to the limitations the revolution faces in resolving the health, education and training problems in the country.

After several hours of discussion eight committees -- made up of women workers, campesina women, housewives and businesswomen, women state employees, women students and women services workers -- discussed the original document, noting the various types of discrimination still practiced in the country. These run the gamut from discriminatory family

law, such as divorce and marriage law to discriminatory policies implemented by the state.

Despite the fact that they represented a wide range of women's groups, the commissions were able to agree on the most serious type of machismo or sexism faced by Nicaraguan women. These include spouse abuse which is a problem for many women, inequalities in the relations that many couples have which prevent a large percentage of women from working and organizing themselves and occupational discrimination which keeps women out of management and better paying jobs and from receiving important career training.

The women also demanded their right to sterilization without their husbands' consent, the ability to register their children's births without the presence of the children's father, the legalization of abortion in cases where the mother's life is endangered and the implementation of a program of sex education for children beginning at an early age in order to break down deeply rooted ways of looking at this subject in Nicaragua.

During the working session the campesina women told of the multiple difficulties they face as a result of the activities of counterrevolutionary bands. They mentioned the difficulties that they have in finding a safe place for their children while they work in their cooperatives. They also spoke of the problems they face in trying to organize among themselves as a result of the lack of understanding shown by their male companions.

AMNLAE General Secretary, Glenda Monterrey, closed the meeting by saying that the contribution of the original document surpassed initial expectations and called for women to be more creative and more aggressive at the workplace and in their organizations.

CSO: 3248/13

NICARAGUA

LACK OF RAIN AFFECTS AGRICULTURAL PRODUCTION

Managua BARRICADA in Spanish 20 Aug 85 p 8

[Text] The drought has reduced the country's harvests, and staple grains have suffered heavy losses, which in turn will affect the nation's food supply.

The National Union of Farmers and Cattlemen (UNAG) believes that greater efforts must be made to strengthen late-season planting and irrigation and to give more active encouragement to the Contingency Plan for Staple Grains in the various regions of the country.

Corn losses amount to 24,995 manzanas, or 45 percent of the first harvest. The loss in beans is 9,516 manzanas, or 38 percent. Sorghum losses are at 30 percent, or 609 manzanas, and millet losses amount to 265 manzanas, or 21 percent.

The effects of the drought have caused farmers to go into debt, since they have no prospects of paying off their debts in the current farming season. UNAG will review methods of payment and will request a postponement of the debt, since those farmers affected are the poor peasants who have traditionally cultivated staple grains.

Felipe Mendoza, head of production for UNAG, explained that the cultivation of staple grains is dependent on the rains, which are generally irregular; for this reason the possibility must be studied of introducing irrigation technology into the country for the cultivation of staple grains in the future.

Cotton and Sugar

Cotton, the second most important category of agricultural exports in Nicaragua, was hard hit by the bad winter. In the west, vast areas in which cotton is usually planted were given over to the cultivation of staple grains. Of 130,000 manzanas planned for cotton, 120,000 were planted; the remaining 10,000 were planted with staple grains, taking advantage of the late arrival of winter.

The sugar harvest will be reduced this year by some 700,000 quintals, said Edgard Vargas Guzman, director of the sugar industry. The first estimate

for this year is for 5,700,000 quintals; however, another estimate will be made in October.

Vargas said the drought strongly affected the sugar mills at Rivas and Granada, but not those at San Antonio and German Pomares, since in the latter area the rains were better distributed.

Cultivation of sugar cane is by irrigation, but during June and July use of the irrigation equipment was halted so that it could be cleaned and repaired, since heavy rains were expected.

Coffee, Rice and Perishable Crops

This year, although the coffee harvest will probably be smaller than that of last year, this is not due to the drought, since in the mountain regions where the coffee is grown the rains were sufficient for the fruit to mature, Henry Matus, director of coffee production for MIDINRA [Ministry of Agricultural-Livestock Development and Agrarian Reform], indicated.

Matus said the fact that summer did not produce any dry days favored the coffee, because there was no dropping of the berries before ripening. The second estimate of production may be a little higher.

Last year 1,115,000 quintals was harvested. This year the problems presented are in financing, transport and a labor shortage.

Rice is one of the least affected crops; however production may fall by some 100,000 quintals, unprocessed, because of the drought. This amount represents the amount consumed by the country in ten days..

Of the 2,300,000 quintals produced nationally, irrigation was responsible for 87 percent, or 1,900,000 quintals, and only 13 percent was unirrigated rice.

Unirrigated rice is planted in Regions One (Jalapa), Four and Six, in the last of which practically nothing was planted because the rains were so late. There were also delays in planting crops which are irrigated by water from the lake, since the lake level dropped 1 meter and the pumps were unable to bring the water to the rice fields.

Perishable Crops

Perishable products such as tomatoes, chiltoma, onions, etc., are cultivated under irrigation, while bananas and other things are planted in humid areas, so that the winter does not affect any of these; however a double effort was required from the producer, since the water level of the rivers dropped substantially many times.

Meteorological Study

The irregular precipitation this year has caused losses in the harvests. According to a study by the National Meteorology Office, the rains are

influenced by the convergence of winds and by the passing of storms and hurricanes through the Caribbean Sea. The convergence of the winds generates cloudiness, which causes the rains to fall, and this year the area of convergence was south of Central America. This was responsible for the light rainfall.

The Meteorology Office indicates that hurricanes and storms cause rain to form, and this year, of 8 or 9 predicted, 4 formed in the Gulf of Mexico and went north and northeast without crossing the Caribbean area, a condition necessary for the formation of storm areas which activate rains in Nicaragua.

Weather reports for August indicate that precipitation has recovered, and there are optimistic forecasts for the next few days.

Otherwise, along the seacoast and neighboring areas, there were heavy rain-showers, although irregular, so that between Chinandega and Punta Nata, the rains destroyed the cotton seeds or they were washed away to mix with other crops, and in other areas the drought caused dust storms which picked up the fertilizers from other crops, depositing them on the cotton plants along with sand, thus burning the small, recently germinated plants.

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CSO: 3248/516

PARAGUAY

BRIEFS

AUSTRALIAN AMBASSADOR--Keith Robin Douglas-Scott, the new Australian ambassador to Paraguay, presented his credentials to President General Alfredo Stroessner on 18 September during a ceremony at Government House. [Summary] [Asuncion EL DIARIO in Spanish 10 Sept 85 p 14 PY]

CANADIAN AMBASSADOR--President Alfredo Stroessner received on 17 September the credentials of the new Canadian ambassador, Louise Frechette. [Summary] [Asuncion EL DIARIO in Spanish 18 Sept 85 p 14 PY]

VATICAN AMBASSADOR--Apostolic Nuncio Msgr Giorgio Zur today presented his credentials to president Alfredo Stroessner. [Summary] [Asuncion ULTIMA HORA in Spanish 3 Sept 85 p 1 PY]

SOUTH KOREAN OFFICIALS--President Alfredo Stroessner has received the members of the South Korean State Council, Young Su Yi, Hon Kon Lee, and Young Sok Lee, who came to Paraguay on a friendship visit. [Summary] [Asuncion PATRIA in Spanish 3 Sept 85 p 1 PY]

NEW COLOMBIAN AMBASSADOR--During a ceremony at Government House today President Alfredo Stroessner received the credentials of the new Colombian Ambassador to Paraguay Vicente Martinez Emiliani. [Summary] [Asuncion ULTIMA HORA in Spanish 4 Oct 85 p 13 PY]

CPT IN EXILE CALLS FOR FREEDOM MARCH--Buenos Aires, 4 Oct (DYN)--The Paraguayan Confederation of Workers in Exile (CPT) today called for a so-called "march toward the border for a free Paraguay" to be held on 12 October in Puerto Iguazu, Misiones province. In a communique, the CPT reported that the march's purpose is to once again denounce "the famine, poverty, and unemployment reigning in Paraguay," and to prevent "the tyrant Alfredo Stroessner from placing his son in power." In addition, the CPT reported that the Paraguayan Government is keeping several political and union leaders under arrest, among them Marcelino Corazon Medina, Miguel Angel Gonzalez Casabianca, Alejandro Stumpfs, and Abdon Saguier. The communique concludes by stating that "in keeping with the dramatic situation Paraguay has been experiencing for the past 31 years under the Stroessner dictatorship, we call a march toward the border for a free fatherland and for Latin American integration." [Text] [Buenos Aires DYN in Spanish 2010 GMT 4 Oct 85 PY]

CSO: 3348/37

PERU

ALL MAJOR PARTIES ENDORSE GARCIA'S UN SPEECH

Lima EL COMERCIO in Spanish 24 Sep 85 p A-4

[Text] Politicians from the various parties agreed yesterday that President Alan Garcia's speech at the United Nations was courageous and telling, particularly his comments about the controversial issue of the foreign debt, disarmament and the battle against drug trafficking.

Others felt that Alan Garcia's proposals before the world body deserve support and that he has shown himself to be a major statesman.

Here are some of the views expressed.

Luis A. Sanchez

Interim President Luis Alberto Sanchez yesterday described chief of state Alan Garcia's UN speech as outstanding and courageous.

He said that he is proud that Garcia spoke the truth so clearly and so well before the forum that brings together all of the world's nations.

"The speech was outstanding, not only in form but above all for its content, for its specificity, for its sincerity and because it was couched in unusual language," he added at a press conference in the presidential office.

"He was not shy about saying that if they have to declare us in default in October, they might as well do it now, because the situation is not going to change by then."

He went on to say that the money would surely not be there, nor would the government be willing to impose on the citizenry so that it can pay off the foreign debt.

The president's address was also outstanding for its references to disarmament and drug trafficking, the latter in particular; he indicated that Peru would pursue its campaign against the scourge of drugs without expecting any sort of aid from the United States.

He noted that Garcia Perez made it clear that our constitution, unlike others, begins by defining man, not the State.

He disclosed that he sent the president of the republic a cable congratulating him on behalf of the people of Peru.

Sandro Mariategui (AP [Popular Action])

The secretary general of AP, Sandro Mariategui, said that President Garcia's speech was realistic and positive, "and we cannot but agree with its substantive sections," he added.

"He touched on issues of the utmost importance to Peru and the Americas. One of them was the foreign debt problem, and he reiterated Peru's position of allocating only 10 percent of export earnings to pay it off.

He added that there ought to be support for Garcia's proposal to democratize the United Nations by abolishing the veto rights of the great powers in the Security Council. "All countries ought to be on an equal footing in this body," he said.

He said he agreed with Peru's efforts to combat drug trafficking and with its criticism of the developed nations for the meager assistance that they are lending in this endeavor.

He said that Garcia took a very realistic approach to the problem of terrorism in the country, a problem that is related to the defense of human rights, which are always respected in Peru.

Jorge Lozada Stambury (PAP [Aprista Party of Peru])

Aprista Senator Jorge Lozada Stambury described President Alan Garcia's speech as a courageous and realistic message that deserves the support not only of Peru but of all the Third World nations.

He stated that the president's message was clear and direct on all of the points he touched, such as the foreign debt problem, the struggle against drug trafficking, terrorism and imperialism, indicating that "the only path open to the developing nations is to unite."

He contended that the president was able to communicate with all of the world's peoples through a message that was tender and human at times and forceful and harsh at others, thus demonstrating that a new doctrine has emerged for defending the poor countries from the scourge of drugs, arms smuggling and imperialism.

Andres Townsend (MBH [Movement of Haya Bases])

MBH Senator Andres Townsend said that the speech would unquestionably have worldwide repercussions. It was marked by clarity and forcefulness, he indicated.

"I think that President Alan Garcia has reaffirmed Latin America's original distinguishing characteristics in its efforts to deal with its problems as a region.

"It is pertinent to underscore the original concepts of nonalignment and solidarity that the poor countries of the planet must embrace. These concepts reflect our constitutional principle of opposition to imperialism and to neocolonialism in solidarity with all of the world's oppressed peoples," Townsend said.

The key problem of the foreign debt was set forth clearly, but Peru's individual approach is not going to be well received by the banks or the creditor countries. "We Peruvians must realize that this is going to be a lengthy and difficult struggle and that we must prepare ourselves for harsh discipline as a nation."

Luis Nieto (IU [United Left])

Communist Senator Luis Nieto said that the president's message conveyed all of the courage and dignity of the Peruvian people.

"He has expressed our country's sentiments, its concerns and its hope for a just and better future for the masses."

He said that the president had merely reiterated his stand on the foreign debt. He acknowledged, however, that he has been consistent in what he has said at home and before the United Nations.

With regard to terrorism, he said that he was in complete agreement that it must be combated in strict accordance with the law. "We are in total agreement with that policy," he indicated.

He said that as for the drug trafficking problem he concurred completely that the government should wage a "war without mercy" on all fronts directly "against the traffickers and, in particular, against all of their allies and accessories inside the country."

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CSO: 3348/9

PERU

PCP CENTRAL COMMITTEE ANALYZES POLITICAL SITUATION

Lima UNIDAD in Spanish 26 Sep 85 p 2

[Article by A. Paredes Luyo]

[Text] The Central Committee held its 15th Plenum on 14 and 15 September to debate three important topics: the political situation, the organizational problems of IU [United Left] and the working plan for the Ninth Congress of the PCP [Peruvian Communist Party]. The speakers were Comrades Jorge del Prado, party secretary general; Guillermo Herrera, secretary of the United Front, and Antonio Torres A., representing the Organizational Committee.

In this edition of UNIDAD we are presenting a summary of the first topic.

Analysis of the Political Situation

In the introduction to his report, Comrade Del Prado emphasized the need to compare the APRA [American Revolutionary Popular Alliance] administration's first steps with the resolutions of the previous plenum and to assess them in light of our society's underlying contradiction and while bearing in mind the most pressing demands of the workers and the people in general.

Although APRA's victory at the polls dealt IU a serious setback, he said later on, IU has emerged as the number two force in national politics, as the regime's main opponent and as the strongest alternative to it. Therefore, if the administration fails to make significant changes in defense of national interests and the interests of the people, as it promised throughout its election campaign, IU will be in a position to expand its ranks by attracting broad segments of the citizenry who voted for APRA, as long as it can strengthen and broaden its organization and remain active and in the vanguard of grassroots struggles.

The measures ordered during the first 40 days and the substance of the main addresses delivered by the president and the prime minister indicate that the newly inaugurated regime is not a revolutionary government (with Marxist-

Leninist ideology, program and praxis) but rather a government that is imbued with the ideology of national reformism and that, internationally, is aligned with Social Democrats. Consequently, it does not seek to put an end to the capitalist system; it merely seeks to "reform" or "improve" it, even if this means waging certain battles against imperialism and its domestic allies.

This approach will lead the Aprista regime to adopt an ambivalent stand vis-a-vis imperialism and its domestic agents. Nevertheless, the polarization of forces that is going on now, both nationally and internationally, and more specifically, the broadening of the underlying contradiction between our people and imperialism will guide Dr Alan Garcia's administration towards a patriotic and progressive position if it relies basically on the labor and peasant movement and if it pursues a consistently anti-imperialist and antioligarchic policy. Otherwise, it will develop into a rightist government that appeases the enemies of the people.

Assessing what the administration has done during its short time in office, we can state that overall the bottom line is relatively positive but just a beginning (since certain measures are incomplete or contradictory) in dealing with the country's economic and social situation, the foreign debt, the oil transnationals, administrative corruption and drug trafficking. As far as foreign policy is concerned, we must acknowledge as positive the support that our Foreign Ministry has given to the efforts of the Contadora Group and the formation of the Lima Group in solidarity with the people and government of Nicaragua; the announced reestablishment of diplomatic relations with Cuba at the ambassadorial level; and the decision to establish relations at the same level with North Korea.

Comrade Del Prado underscored that in spite of their limitations these measures are positive steps arising largely from the momentum and broad scope of the grassroots struggles and the rallying power that United Left has developed. The further development of these steps depends, he said, on three main factors: a) the response of imperialism and its domestic allies to the measures affecting them; b) the continuity and expansion of mass actions; and c) the reactivation and strengthening of IU in all institutions and on all battlefronts.

The negative elements of the administration's performance are mainly its handling of the problem of terrorism and the "dirty war" (a war in which reprehensible massacres such as at Pucayacu and Accomarca are still occurring); its refusal to decree a political and labor amnesty and to repeal Decree-Law 046; the police's continued repression of the labor movement; the delay in resolving union conflicts, and the delays in passing the job stability law.

In another vein, Comrade Del Prado indicated that there are four major negative factors at work in the administration's policy-making and that they ought to be of great concern, adding that an intensive campaign of ideological enlightenment and an active political and mass struggle must be undertaken against them. Otherwise, they will develop into a permanent threat to the country's democracy and will serve as the groundwork for reactionary and fascistlike positions. These negative factors are: a) The theory of the

"Social Pyramid" and its practical application; b) APRA's clannish tendency to make off with all of the key posts in government; c) The influence that Armed Forces power exerts on the government; and d) The anticommunist and transnational influences of Social Democracy.

In conclusion, Comrade Del Prado indicated the main problems that the administration must tackle in the short run: the payment of the foreign debt, the new status of the oil companies, job stability, the "dirty war" and an amnesty policy. The future of this government and its overall marks will depend on how it handles these issues, he concluded.

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CSO: 3348/9

PERU

NATIONAL BOARD LISTS MUNICIPAL ELECTION SITES

Lima EL COMERCIO in Spanish 13 Aug 85 p A-4

[Text] More than 400,000 citizens are expected to go to the polls in the complementary municipal elections to be held in November, according to spokesmen from the National Election Board (JNE).

Of this number it is estimated that 299,742 citizens will elect representatives for 21 provincial councils in 11 departments. Just over 100,000 citizens will vote for municipal representatives in 171 districts in which there were no elections on 13 November 1983.

At this time, the total cost of these elections has not been precisely determined and the Aprista majority of the Chamber of Deputies is seeking postponement specifically for economic reasons.

The JNE indicated that, in any case, it would be less than the 21 billion soles currently estimated, because a surplus from the past presidential election would help to cover the costs.

The provincial councils where there will be voting are: Cangallo, Huanta, Vilcas Huaman, Huanca Sancos, La Mar, Victor Fajardo and Pacuar del Sara Sara, in Ayacucho Department; Huarmey and Asuncion in Ancash; and Utcubamba and Condorcanqui in Amazonas.

Similarly, Puerto Inca in Huanuco; Tocache, Bellavista and Picota in San Martin; Yunguyo in Puno; Chepen and Ascope in La Libertad; Chincheros in Apurimac; Barranca in Lima; and Churcampa in Huancavelica.

In Cangallo Province, Ayacucho Department, there will be complementary municipal elections in the districts of Chuachi, the Morochucos, Paras, Totos and Maria Parado de Bellido.

In Huanta: Ayahuanco, Huamanguilla, Iguain, Luricocha, Pacaycaes and Santillana.

In Vilcashuaman: Vischongo, Accomarca, Carhuanca, Concepcion and Huambalpa.

Huancasancos: Sacsamarca, Santiago de Lucanamarca, and Carapo.

La Mar: Anco, Ayna, Chilca, Chungui, Tambo and Luis Carranza.

Victor Fajardo: Alcamenca, Apongo, Canaria, Cayara, Colca, Huaya, Huamanquiquia, Sarhua and Vilcanchos.

Lucanas: Querobamba, Llauta, San Salvador de Quije, Chalcos, Chilcayoc, Chipao, Huacana, Morcolla, Santa Ana de Huacayhuacho, Santiago de Paucaray, San Pedro de Palco, Cabana, Otoa and Santa Lucia.

In the department of San Martin, there will be council elections in the districts of Nuevo Progreso, Shunte and Polvora in the province of Tocache. Similarly in Vista Alegre in the province of Rodriguez de Mendoza.

In Tumbes: there will be elections in the district of Aguas Verdes in Zarumilla Province and in Tacna, in the district of Alto de la Alianza.

12931

CSO: 3348/930

PERU

FINANCIAL DECENTRALIZATION, DEVELOPMENT BANK PLAN EXPLAINED

Lima EL COMERCIO in Spanish 22 Sep 85 p F-1

[Interview with Jose Salaverry Llosa, Jose Luis Brousset Escobar, Manuel Uriarte Guerra and Sidney Pope Bravo; date and place not specified]

[Text] Editor's Note: The creation of the financial districts by supreme decree pursuant to Paragraph 20 of Article 211 of the Constitution represented a change in the ground rules for both private and government bankers. The districting plan calls for the creation of the National Development Bank (BANDES) by act of Congress. We know that Lima has benefited from political and financial centralization. The "financial districts" were proposed to make better use of domestic savings. We have spoken with the author of the plan, or the head of the team that drafted it, Jose Salaverry Llosa. Salaverry, who received his PhD in economics from the University of Iowa, is an agronomist who specializes in farm financing. He recently wrote a book on the subject. The following is a transcription of our talk with him and some of the men behind the program, Jose Luis Brousset Escobar, Manuel Uriarte Guerra and Sidney Pope Bravo.

[Question] What is the aim of the financial districts?

[Answer] To support the comprehensive development of the provinces financially in a rational, organized and efficient way, by using the funds that the provinces themselves generate as well as overseas funds.

[Question] How will they operate?

[Answer] We want to reverse a longstanding trend and see to it that money from the provinces does not wind up in Lima. For example, in Ayacucho, a poor area, 60 centavos of every sol deposited by Ayacucho peasant farmers or merchants is transferred to Lima, and this is in a state-run bank.

[Question] But most of our economy is in Lima, isn't it?

[Answer] There is where the National Development Bank will come in. The decentralized development banks, which will be affiliates of the National Development Bank, will give incentives to and promote the production sectors in the provinces to make efficient use of savings. This will, of course, be a gradual but steady process. We will discuss it later on.

[Question] What are the criteria for setting up the financial districts?

[Answer] There are four of them: 1) True decentralization, 2) A democratization of credit, 3) The current system had already become insolvent, and 4) Improved ethics.

[Question] Do the financial districts represent a revolution?

[Answer] I would call them the hub of a new financial system.

[Question] Why are there eight districts?

[Answer] We tried to cover the natural zones of banking operations. The only new one is the highland plateau (Puno). The districts comprise several departments and regions.

[Question] Why specifically were the highland plateau and north central districts created?

[Answer] As the chief of state has pointed out, Puno is an economic region with a larger population (one million) than the south or the east. Historically it has been out of the mainstream. I think that the president's approach stems from the philosophy of the French economist and humanist Francois Perroux. And I agree with him completely. As far as the north central district is concerned (La Libertad and Ancash), it will prevent regional imbalances.

[Question] What will the capital movements be like, from wealthy to poor areas?

[Answer] The Central Reserve Bank will naturally have to be involved. We have asked the Central Bank to deal with this matter within the framework of its technical autonomy and in accordance with its areas of responsibility as indicated by the constitution, and we have also asked the Superintendency of Banks and Insurance. Under the supreme decree creating the financial districts, there will be a branch of the Central Bank and an office of the Superintendency of Banks and Insurance in each of them. The Central Bank branches will have to be given new functions and powers in line with the principle of decentralization, for instance, deciding on legal reserve requirements, selective loans and interest rates. Different loan standards will have to be set for the districts. And all of this will be in keeping with the overall monetary policy that the board of the Central Bank establishes.

[Question] How will you prevent deposits from being transferred to Lima? How will money be transferred between districts?

[Answer] Interdistrict compensation mechanisms will be designed to redistribute funds.

[Question] What will happen when a financial district has "excess" money? How are you going to stop the money from going to Lima if the district's economy is too small to absorb it.

[Answer] Differing reserve requirement policies by district would channel the excess into the districts that are badly off, including the ones with special or depressed zones, according to the definition in the supreme decree. The surpluses would be utilized by the decentralized development banks, which would function as regional investment banks patterned after the current development banks [bancos de fomento].

[Question] Does the supreme decree entail the creation of new financial institutions in the interior?

[Answer] Official statistics show that just 100 towns have banks or are part of the financial system. We need more banks or institutions in the provinces. We want to create a banking network. I can see a nearby example in the United States. That country's great wealth lies in its regional banks, which are zealously defended by the monetary authorities against the activities of the major banks in New York or San Francisco. The regional banks there spur producers in the states.

[Question] Does this mean that in addition to the development banks there will be private financial institutions?

[Answer] Yes, it does. There will be no bureaucratization of the financial system. We will promote the formation of a "ground floor" consisting of municipal banks, farm loan banks, and district banks established by private groups or by associations of growers, merchants and industrialists. The district offices that the Superintendency of Banks and Insurance will set up for supervisory purposes will be in charge of monitoring the start-up of these banks.

[Question] How many institutions will there be? Are we talking about large numbers?

[Answer] We estimate that between 300 and 500 institutions of all kinds will be set up, enough to take on the risks of a loan portfolio.

[Question] Do you want Lima to be left without savings?

[Answer] I repeat: what we are really trying to do is reverse a trend that has harmed the country greatly. One-third of loans are concentrated in the capital and go into unproductive activities, speculative practices and capital flight. The branches of Lima-based banks in the provinces post profits because they transfer savings to Lima. The home offices of several banks, especially state-run banks, are posting losses. Furthermore, Lima banks have hurt the provinces by tightening credit there.

[Question] Are you calling the current system into question?

[Answer] The system has depressed and impoverished the provinces.

8743

CSO: 3348/9

PERU

JAPAN TO CONTINUE SUPPLYING TECHNICAL AID

Lima EL COMERCIO in Spanish 15 Aug 85 p A-6

[Text] More than 20 technical cooperation projects are developing in our country with different projects of the Japanese Agency for International Cooperation (JICA), according to Teruki Sasano, its resident representative in Peru.

After commenting on the excellent relations that currently exist between the two countries, Sasano stated that his government will continue to increase the bonds of cooperation and push the plans for national development.

In addition to scholarships for professional development, sending volunteer experts, exchanging study and research teams, training personnel and donating equipment, JICA actively participates in projects carried out by different ministries, principally those of Health, Agriculture and Transportation and Communications.

Noteworthy among the projects are the Community Health Service under the Honorio Delgado-Hideyo Noguchi National Institute of Mental Health and the research and experimentation for the regeneration of forests in the Amazon zone.

Also noteworthy is the separation of heat-resistant oxides of copper and associated elements which was developed in cooperation with the National Institute of Mines and Metallurgy (INGEMMET) and the SENATI. JICA collaborates similarly with the National System of Social Communication in the fields of telephony, the expansion of radio transmissions and the control of frequencies. In the same way it collaborates with the telephonic transmissions and switching planned by INICTEL.

Another example is in energy, which is carried out in support of Electro-Peru; yet another is the prevention of air pollution, which is being developed with the Minister of Energy and Mines.

In the social field, a cartographic project of the Satipo area in the Junin Department is underway with the National Institute for the Extension of the Agricultural Frontier.

Sasano pointed out that, in addition, there are currently more than 100 Peruvians with scholarships pursuing specialized courses in different technical professions and careers at the universities and technological centers in the distant country of the Orient.

This high official made these statements during his visit to EL COMERCIO.

12921

CSO: 3348/930

PERU

ANALISIS LABORAL EDITOR OPTIMISTIC ON ECONOMIC MEASURES

Lima ANALISIS LABORAL in Spanish Aug 85 pp 19-21

[Text] Toward the middle of May we sent our subscribers an Informative Note which, among other things, presented a picture of Policies and Predictions for Inflation 1985, and which we are using for this commentary.

The price policy followed by the government which just ended was clearly identifiable with the one we had described, perhaps somewhat pompously, as being "calamitous." Two characteristics defined this type of policy: the cost of gasoline increasing in dollars while at the same time the dollar itself kept rising at a growing rate; and on the other hand, continued speculation and the totally arbitrary fixing of prices by the state in the name of "justifying" the economy, a term understood in its least satisfactory meaning. Part of this decision allowed some narrowing of the fiscal gap, but it is difficult to weigh this relative achievement -- based on the concept that the increases in the prices of gasoline and the dollar are basic tools of state revenue -- against its harmful effects on family purchasing power and the social stability of the country.

The new government has faced the situation with what we called an obvious anti-inflationary policy. The prices of goods and services have been frozen immediately after financial measures were taken to give the state more direct management of foreign exchange, to raise the price of fuel, except kerosene, and to devalue the national currency at a rate similar to that at which it was devalued each month in recent times. Basic prices, such as those for public services, have also suffered increases similar to those that have occurred each month, but it has been announced that these will be the last for this year.

Moreover, the expenses of companies have been notably reduced and there have been modest salary increases in the hope of better control of consumer prices. Only minimum salaries have increased significantly, but only because they started from such a low level that we were an international showcase for a policy without social components. What is most probable is that the entire increase in wages, because of their low levels, will be spent and theoretically this could stimulate inflation... unless prices are effectively controlled -- especially for food -- and the profits of the independent sector are based more on the number of transactions than on the prices charged.

The fundamental risks of the program (many of its details can be monitored and surely will be taken care of) are in the degree of inflationary pressures exercised by increases in the prices of such basics as the dollar and gasoline, while on the other hand, the prices of all goods and services are frozen. This discrepancy requires that the necessary time be taken to reorganize tax collections, to carry out the most important savings of the state, and to get the apparatus of production rolling, "convincing" it that it has not been put into a new, recessive squeeze through concerted policies -- with an increase of costs but not prices -- but more clearly into shared sacrifices until demand and production are reactivated and productivity can rise.

As a good start, we must brake brusquely the speculative and psychological components of inflation and rapidly reorganize to break out of the inflationary circle on the only possible tangent, the structuring and growth of production. It is much easier to explain than to accomplish. But above all, it is necessary, expected and worthy of the help and vigilance of all Peruvians. To the extent that they keep in step to the march of events, and both the governors and the governed feel equally involved, we could be seeing the start of the end of the gravest economic crises of our country.

We hope that is the way it will be. Even though it is unlikely that an impressive decline in inflation will be seen in August resulting from the initial effects of the program, it is desirable that in the following months progress be seen, not only in the economic indicators but in the recovery of social peace in Peru. One goal, which will be easier to evaluate once the initial impacts have been overcome, within the reach of this policy would be that of reducing the 200 percent inflation rate in 1985 to between 160 and 180 percent.

12931

CSO: 3348/930

PERU

BRIEFS

LARGE-SCALE MINING DROP SEEN--Mines and Energy Minister Wilfredo Huayta has asked for special powers to deal with the drop in production in large-scale mining. Details were not available concerning the scope of the special powers that the minister has requested. Huayta discussed the matter with President Alan Garcia during a 3-hour meeting after the chief of state had done likewise with Agriculture Minister Mario Barturen. The energy and mines minister said that production is proceeding normally in the small and medium-sized mining industry but that the large mining companies are having some problems that could limit output. He added that this year we would depend on mining to provide about 45 percent of our foreign exchange earnings. The minister said that the estimates of foreign exchange earnings were drawn up by the Peruvian State Mineral Marketing Company. Huayta stated that the Southern Peru Copper Corporation has altered some of its production patterns at its Cuajone deposit and that they could pose a danger if maintained over the next 2 or 3 years. [Text] [Lima EL COMERCIO in Spanish 27 Sep 85 p A-4] 8743

CSO: 3348/9

ST CHRISTOPHER-NEVIS

OPPOSITION, SIMMONDS IN DISPUTE OVER ACCOUNTABILITY ISSUE

Basseterre THE DEMOCRAT in English 24 Aug 85 Unpaginated

[Text] We publish for the scrutiny of our readers, a letter written by the three (3) Opposition Labour Party Parliamentarians to the Rt. Hon. Dr. Kennedy Simmonds, prime minister of the Federation of St. Kitts and Nevis and Prime Minister Simmonds' reply to that letter

ST. KITTS-NEVIS-ANGUILLA LABOUR PARTY

(WORKERS LEAGUE)

MASSES HOUSE, CHURCH STREET
BASSETERRE, ST. KITTS, W.I.

August 22nd 1985

Right Honourable Prime Minister/Minister of Finance
Government Headquarters
Church Street
Basseterre
St. Kitts.

Dear Sir

Re: Establishment of the Public Accounts Committee

Your government first took office in this country in February of 1980. It began its second term in June, 1984.

Shortly after your government took office it became quite clear that the finances of the country were not being managed with fiscal prudence. Unfortunately this is still so. Allegations of financial mismanagement, corruption and graft are rife.

In this context it might have been worth the while to pause and take stock. The government however in its arrogance have ignored the cries of the public and those of the Opposition to put an end to its profligate spending and total mismanagement of public funds.

The Opposition continues to be concerned, and is therefore calling upon you as head of the Government and Minister of Finance to cause to be established as a matter of urgency a Public Accounts Committee as is required by law.

When the Legislature of this country created law for the establishment of the Committee the intention was to place appropriate authority in this body to oversee the proper expenditure of taxpayers' money and to ensure that money voted by the Legislature for a specific purpose is used thus. The Public Accounts Committee is the watchdog which ensures that the public funds are not ill spent or diverted into channels not authorised by law.

In light of the above you are hereby requested to have some regard to the Laws of this country and ensure the speedy establishment of the said Committee.

It is hoped that you would see the wisdom in this request and accede to same in order to avoid having the issue raised by us in Parliament as a matter of urgent public importance.

Yours faithfully,

Charles E. Mills
.....
Charles E. Mills M.P.
Leader of the Opposition

Joseph N. France
.....
Joseph N. France M.P.
(Elected Member for Electoral District No.3)

Dr. Henry L. Browne
.....
Dr. Henry L. Browne M.P.
Senator.



PRIME MINISTER
ST. KITTS AND NEVIS

GOVERNMENT HEADQUARTERS,
P. O. BOX 186,
ST. KITTS, W.I.

Ref. No.

23rd August, 1985

Hon. Charles E. Mills, M.P.
Leader of the Opposition
St. Kitts-Nevis-Anguilla Labour Party

Hon. Joseph N. France, M.P.
Elected Member for Electoral District
No. 3
St. Kitts-Nevis-Anguilla Labour Party

Hon. Dr. Henry L. Browne, M.P.
Senator
St. Kitts-Nevis-Anguilla Labour Party

Dear Sirs,

I acknowledge receipt of your letter of August 22nd, 1985 on the subject
"Establishment of the Public Accounts Committee".

However I must take issue with the context in which you place this request.

Your first paragraph quite rightly states that my Government "began its second term in June 1984". This was a clear indication of the public's highly complimentary assessment of our performance from 1980 - 1984, and it therefore makes a nonsense of the obviously unsubstantiated allegations which you make in paragraphs 2 and 3. These allegations, it is well known flow mainly from the infamously venomous pen of your totally discredited publication, and the diabolically fertile imaginations of those few misguided persons who allow themselves to be influenced by it.

You are, I know, painfully aware that persistent allegations of corruption against me and my Government emanating from within the leadership of your organisation, have recently been proved in a court of law to be totally without foundation, to be prompted only by malice, and has resulted in the largest libel award in the Commonwealth Caribbean.

It is common knowledge that the reputation of this Government for total fiscal probity and accountability is exemplary. This is supported by various authorities including the World Bank.

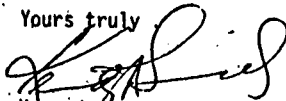
Further, the auditor's reports are laid on the table of the Assembly and you have access to them. You are aware therefore, that there has never been any allegation of corruption against my Government in any of these documents.

All economic reports made by economists of stature have come to the same conclusion - that the failure of your administration to diversify away from total dependence on sugar alone, and your rape and destruction of the Sugar Industry by levy extraction among other things, were prime causes of our present economic difficulties.

You may wish your request for appointment of a Public Accounts Committee to appear, on the surface, to be prompted by some high ideal. However, when one realises that in some 30 years in Parliament, your administration never had a functioning Public Accounts Committee though you were governed by the same obligation, one can only conclude therefore that you are motivated more by a desire for propaganda and showmanship than by any desire for rectitude.

The matter of a Public Accounts Committee has been and continues to be under consideration by my Government (no doubt you have been aware of this), and it will be dealt with when we consider it appropriate.

Yours truly



Kennedy A. Simmonds
Prime Minister

CSO: 3298/029

30 October 1985

ST CHRISTOPHER-NEVIS

BRIEFS

MINISTERS TO TAIWAN--Basseterre, 22 Sep--Two government ministers were due to leave here today for an official visit to Taiwan. Education Minister Sydney Morris and Trade Minister Roy Jones were invited to Taipei by Taiwan's charge d'affaires here, George Tuan. While in Taiwan the ministers will hold discussions with government officials and visit places of historical and cultural interests, an official statement issued here said. The statement described the visit as aimed at forging stronger ties of friendship between the Caribbean state and Taiwan. Taiwan was one of the first countries to establish diplomatic relations with St Kitts and Nevis, after the former British colony became independent two years ago. [Text] [Bridgetown CANA in English 2158 GMT 22 Sep 85 FL]

EDF ASSISTANCE--Basseterre, 13 Sep--St Kitts and Nevis is likely to receive assistance for its agricultural diversification programme from the European Development Fund (EDF), according to Lucien Pagnie, a European Economic Community (EEC) official now on a three-day fact-finding visit to the twin island state. Pagnie noted that under the EEC's new Lome Three Convention, the European Economic Community is placing emphasis on agricultural assistance to African, Caribbean and Pacific (ACP) member countries. The Brussels-based official is here mainly to collect information on the federation to include in an EEC magazine which covers the economic, social and other aspects of development of EEC and ACP countries. Pagnie leaves here over the weekend for Antigua and Barbuda to continue a familiarisation visit of regional member countries of the ACP group. [Text] [Bridgetown CANA in English 1630 GMT 13 Sep 85 FL]

MONTserrat VISITOR--The Chief Minister of Montserrat, Mr. John Osborne paid a five day familiarisation visit to Nevis this week. He paid courtesy calls on the Premier, Hon. Simeon Daniel and other Ministers of Government in the Nevis Island Administration, and attended some of the matches of the Eighth Caribbean Netball Championship. Chief Minister Osborne reported that the standard of the Championship is of a high one and commended the Government for the splendid new Netball Stadium at Grove Park. [Text] [Basseterre THE DEMOCRAT in English 17 Aug 85 p 4]

CSO: 3298/029

URUGUAY

CIVIL, MILITARY COURTS ARGUE JURISDICTION

PY071936 Paris AFP in Spanish 0208 GMT 6 Sep 85

[Text] Montevideo, 5 Sep (AFP)--Judicial sources today reported that the Uruguayan civil courts have asked police for arrest warrants for three Armed Forces officers, who were allegedly involved in the disappearance of Uruguayan residents in Argentina during the decade of the 1970's.

The officers are Lt Col Jose Gavazzo and Lt Col Manuel Cordero, as well as an officer named Maurente. They are being accused by some individuals who say they were kidnapped in Buenos Aires and taken by force to Uruguay after remaining in the clandestine prison at the Orletti automobile company.

The same sources reported that Judge Dardo Preza, who is hearing this case, has ordered these officers to appear in court to be questioned.

However, Army Commander in Chief Gen Hugo Medina issued an internal message to Army officers a week ago denying this report and attributing it to the desire to create unrest and distrust in the Army. The message also said that if such a report turns up, the High Command will be the only one to deliver information on it to the rest of the officers.

The arrest warrants were issued by the court at the same time that several military prosecutors requested the court to apply to the military the same amnesty law, that was approved by congress 3 months ago for common criminals.

A debate between civil courts and military judges started last month when military magistrates requested their ordinary justice counterparts to defer jurisdiction in cases of human-rights violations and economic crimes in which Armed Forces members are involved.

However, several ordinary court judges addressed the Supreme Court of Justice last week to protest the request of the military judges.

Another ordinary court judge even considered that the civil justice should be the one to hear these cases since it is an independent branch of government that is supposed to safeguard the rights of all citizens. He also said that a military judge is subject to the Executive Branch as well as to military discipline that may affect his liberty to pass verdicts. The same judge

added that the claim for justice of a whole nation is still alive, including that of people who are no longer alive. This claim of justice is inspired in the purest democratic traditions that are trustful of democracy, he said.

In order to try to solve this problem of legal jurisdictions, opposition congressmen are concluding the preparation of a draft bill that foresees the creation of a special justice to hear the cases of human rights violations.

Congressional sources reported that this initiative is a consequence of the complexity and uniqueness of this matter, which is one of the most controversial issues in Uruguay at the moment.

CSO: 3348/33

URUGUAY

SANGUINETTI DISCUSSES NATIONAL ISSUES, RELATIONS WITH USSR

PM191149 Moscow PRAVDA in Russian 16 Sep 85 First Edition p 6

[Dispatch by I. Vorozheykin: "Uruguay: Time of Renewal"]

[Excerpts] One day during our visit to Montevideo, as a representative of PRAVDA I was received by Uruguayan President J.M. Sanguinetti.

When the appointed time came, I went with USSR Embassy staffers to the Libertad (freedom) palace which, with its modern lines and monumental appearance, occupied a commanding position at the broad crossroads between the city's two main thoroughfares--(Artigas) and (Arangyagas) Avenues. The building, it was explained to us, was built under the former regime for the National Defense Ministry--the military dictatorship's headquarters. Now it houses the president's residence and a number of government offices.

We were taken to the president's office. A robust, thick-set man with big features, bushy eyebrows, and an attentive and steady gaze came to meet us. Scarcely had we sat down in leather chairs at a low table when the conversation began.

As is well known, the present Uruguayan Government has been functioning for over 6 months now and it has accumulated some experience and probably made amendments to its program. So we asked the president:

"Right now, what are the main avenues of your government's activity in the sphere of domestic policy?"

"The first aim," the reply came immediately, "is to achieve national peace. A very difficult task because after 12 years of dictatorship it is essential to restore order in the country, to put everything in its place. These difficulties are supplemented by the fact that businessmen are still constrained in their activity. The trade unions make extensive use of the rights granted them in our country. The two phenomena have their own logic. It should be added that the military regime's policy had in fact curtailed the country's productive forces and it is hard now to encourage businessmen to return to vigorous economic activity.

"In this situation it is important to achieve the creation of a climate of concord and democracy. We have gradually taken measures to restore sociopolitical order: The political parties have received the right to engage in their activity and many of those people dismissed under the military's rule have been reinstated, and all political prisoners have been granted amnesty.

"This entire process is of course a difficult one but it is mainly being implemented. Unresolved problems still remain but there is no doubt the country is living in a democratic atmosphere, as you have been able to see for yourselves..."

The next question was about Uruguay's foreign policy positions and its role in resolving Latin America's regional problems. This question was all the more appropriate in that political observers in America and in Europe are noting the intensification of Uruguay's activity in international affairs and its display of great independence and the desire to develop ties, especially trade and economic ties, with all countries.

Touching on this aspect, J.M. Sanguinetti noted that his country is again returning to its traditional policy. Uruguay is a supporter of the system of liberal democracy. But it would be wrong to believe that it supports a line oriented toward a particular great power. Uruguay, the president said, pursues an independent foreign policy, advocates seeking peaceful solutions to existing problems, and supports measures and constructive proposals aimed at disarmament, the prevention of nuclear war, and the consolidation of international peace.

"Since 1 March this year, when the civilian government came to power," the president continued, "we have been working intensively to achieve and safeguard peace in Central America. This accords with the country's democratic traditions. We are also pursuing a course toward the development of diplomatic relations with other countries on a broad basis and we are seeking to develop our ties and trade and economic cooperation without considering ideological differences."

And how does the president assess the present state and development prospects of Soviet-Uruguayan relations?

Answering this question, J.M. Sanguinetti noted that Uruguay has for a long time had diplomatic and trade and economic relations with the Soviet Union. He recalled that in 1971, when he was minister of industry and trade, he visited the USSR at the head of a Uruguayan trade delegation. Our interlocutor believes that under present conditions favorable opportunities exist for continuing our cooperation.

"Despite the distances and the difference in the potential of Uruguay and the Soviet Union," the president said in conclusion, "there is a vast sphere for our relations' development."

We had many interesting and pleasant meetings with Uruguayans. And on each occasion they ended with wishes to strengthen solidarity and expand mutual cooperation for the sake of peace, prosperity, and the prevention of the threat of nuclear war. I should like to believe that the Uruguayan people, having won the many years of hard struggle against military tyranny, will be able to uphold their right to genuine democracy, to ensure that the spring period of the country's renewal bears the expected fruit.

CSO: 1800/15

URUGUAY

BRIEFS

FORMER PRESIDENT OFFICIALLY CHARGED--Montevideo, 25 Sep (EFE)--The Uruguayan Supreme Court today notified the parties involved [traslado] in the lawsuit against former president Juan Maria Bordaberry who led the coup d'etat on 27 June 1973 and installed the military regime that lasted 12 years. According to political sources who confirmed this report to EFE, the notification was also received by former Army and Air Force commanders, General Hugo Chiappe Posse, retired, and Brigadier General Jose Perez Caldas, retired, respectively. The two former military commanders supported Bordaberry's decision to dissolve the Chamber of Deputies and close congress. Lawmakers from the left-wing coalition Broad Front, have formally charged the former president and the two former commanders of violating the Constitution. The defendants now have 20 days to answer the charges, according to Uruguayan law. Once this deadline expires and pursuant to the appropriate submission of evidence, the court will have to issue a ruling either sentencing or acquitting the parties involved. [Text] [Madrid EFE in Spanish 0412 GMT 27 Sep 85]

PRESIDENT DESCRIBES DEBT AS 'TRAP'--Uruguayan President Julio Maria Sanguinetti has described the Latin American foreign debt as a trap that causes the nations of the region to grow more and more distant from the possibilities of payment. He also denounced the responsibility of the creditors in the financial crisis because of their protectionist and discriminatory policies. Sanguinetti, the first speaker of the second day of debates in the UN General Assembly, rejected the alternative of paying the debt and renouncing development. He insisted that the problem is not strictly economic but also political. The Uruguayan president praised the peacemaking efforts of the Contadora Group and stressed that the Central American conflict will not be resolved until the socioeconomic causes that created the problem are solved. [Text] [Havana International Service in Spanish 0000 GMT 25 Sep 85]

CSO: 3348/33

VENEZUELA

DETAILS OF BRIEF STOPOVER BY SPAIN'S GONZALEZ

PA251653 Caracas Television Service in Spanish 0000 GMT 25 Sep 85

[Report by Omaira Botello]

[Text] The Contadora Group's efforts have been successful, because everything that contributes to preventing a conflict in Central America is good, Spanish Prime Minister Felipe Gonzalez said during a technical stopover at the Maiquetia International Airport on his way to Mexico City where, just as President Jaime Lusinchi, he will express his solidarity to Mexican President Miguel de la Madrid.

[Begin recording] [Botello] Spanish Prime Minister Felipe Gonzalez arrived at the Maiquetia International Airport at 1445, on a technical stopover. He was met by Acting President Octavio Lepage, Acting Interior Minister Cesareo Espinal Vasquez, Acting Foreign Minister German Nava Carrillo, and Spanish Ambassador to Venezuela Amaro Gonzalez de Mesa.

Felipe Gonzalez met with Acting President Lepage for approximately 15 minutes, after which he was interviewed by media representatives. The discussion during the informal news conference dealt with the speech he will deliver at the United Nations. He said that his speech will basically focus on the problems of peace and of the foreign debt, adding that the latter is a problem that must be shared by all, and which must be faced seriously.

[Gonzalez] There will be no progress, there will be no true international justice in the economic and social spheres unless this problem is faced seriously; I mean seriously and not with demagogy.

[Botello] Regarding the decision to devalue the dollar adopted by the industrialized countries, Felipe Gonzalez said that all economic phenomena have multiple repercussions, but that it is a reality that the dollar is currently overvalued.

[Gonzalez] If there is any rationality in economic behavior--and I hope there is--and if the dollar is currently overvalued and continues to be devalued until it reaches the proper levels, this would seem to be rational and, in principle, positive effects should prevail over the negative ones.

[Botello] Regarding the Central American conflict, Gonzalez said the Contadora Group has been absolutely successful, adding that a generalization of the conflict must be avoided.

[Gonzalez] There is really only one option for solving the Central American conflict, which is through the Contadora Group. In my opinion, anything other than supporting Contadora is a waste of time, and would only contribute to worsening the conflict.

[Botello] Before departing, Felipe Gonzalez said that his technical stopover in Venezuela is due to his friendly relations with the Venezuelan Government, and because it is an alternate route to Mexico City. He noted that Spain has been sending aid to Mexico after the earthquake, adding that special equipment to detect persons who are still alive will be placed at Mexico's disposal. Before boarding the Spanish Air Force DC-8 plane, Felipe Gonzalez said goodbye to Acting President Lepage, ministers, government officials, and journalists. [end recording]

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VENEZUELA

BRIEFS

BRAZIL'S SARNEY ARRIVES--Caracas, 21 Sep (AFP)--Brazilian President Jose Sarney arrived at 1559 GMT (1159 local) at Maiquetia International Airport on the Caribbean coast close to Caracas on a service stopover on his way to New York to participate Monday in the UN General Assembly sessions. Sarney will spend more than an hour in Maiquetia, where he will meet with his Venezuelan counterpart Jaime Lusinchi, who will leave Tuesday for New York to participate in the UN General Assembly session. [Text] [Paris AFP in Spanish 1606 GMT 21 Sep 85]

FOREIGN MINISTER CONSALVI DEPARTS--Caracas, 22 Sep (EFE)--Venezuelan Foreign Minister Alberto Consalvi left for New York today to attend the UN General Assembly session. Consalvi may take advantage of his visit to the United Nations to meet with his colleagues from Colombia, Mexico, and Panama, countries which, like Venezuela, are part of the Contadora Group. Before leaving, the foreign minister said that President Jaime Lusinchi is polishing the speech which he will deliver at the United Nations on 30 September. Lusinchi will leave Caracas on Tuesday and, before leaving for New York, he will make a brief stopover in Mexico to personally express to Mexican President Miguel de la Madrid the sorrow of the Venezuelans over the tragedy that has affected his people. [Text] [Madrid EFE in Spanish 1543 GMT 22 Sep 85]

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END